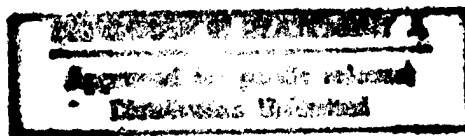


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4 June 1982



South and East Asia Report

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CONTENTS

AUSTRALIA

Arbitration Commission Rejects General Wage Rise (Melbourne Overseas Service, 14 May 82)	1
Briefs	
Deployment of Forces Overseas	2
Trade With Saudi Arabia	2
Coal Liquefaction Industry	2
Surplus in Balance of Payment	3
Australia Develops Anti-Missile 'Decoy'	3

BURMA

Thai Delegation Arrives for Border Talks (Rangoon Domestic Service, 20 May 82)	4
---	---

INDIA

Papers on Content, Procedure of Talks With PRC (G. K. Reddy; THE HINDU, 5 May 82)	5
Border Issue Major Problem (THE STATESMAN, 5 May 82)	7

INDONESIA

Singapore Development of Batam Island Reviewed (AFP, 15 May 82)	8
Briefs	
West German Loan	9
Tin Export From South Sumatra	9
Zamrud Oil Field Production	9

LAOS

Kaysone Phomvihane Discusses Transition to Socialism (Kaysone Phomvihane; BULLETIN QUOTIDIEN, various dates)....	10
---	----

MALAYSIA

Tin Producers Association Justified (Kuala Lumpur International Service, 17 May 82)	20
--	----

Briefs

French Minister Ends Visit	22
January Oil, Nonoil Exports	22
January Trade Surplus	22

NEW ZEALAND

Opposition Party To Ban U.S. Nuclear Warships Visit (AFP, 12 May 82)	23
---	----

PAKISTAN

United States Aid Concepts to Third World Denounced (VIEWPOINT, 13 May 82)	24
Jamaat-i-Islami Criticized for Pro-West Stand (VIEWPOINT, 13 May 82)	26
IJT's Tactics Denounced (Hussain Naqi; VIEWPOINT, 13 May 82)	27
Pakistan-India No-War Pact Dialogue, Relations Analyzed (Suman Dubey; INDIA TODAY, 15 May 82)	28
Letter Criticizes Tourism Policy and False Hopes (VIEWPOINT, 13 May 82)	35
Zia Supports Role for Army (VIEWPOINT, 13 May 82)	36
'Black Day' Observations Reported (VIEWPOINT, 13 May 82)	38
Corruption in Cement Marketing Criticized (VIEWPOINT, 13 May 82)	40
Commercializing Early Education Attacked (VIEWPOINT, 13 May 82)	41
Abdul Ghaffar Khan's Plea for Sanity (VIEWPOINT, 13 May 82)	42

Gas Fields, Distance From Karachi (PROGRESS, May 82)	43
Gas Production Figures, Facts Stated (PROGRESS, May 82)	44
Briefs	
High Court Bar's Demand	47
Zia Breached on Baluchistan	47
College Teachers' Strike Continues	47
Arrested for Objectionable Handbills	47
Leaders' Release Demanded	48
PHILIPPINES	
Team To Negotiate for Saudi Loan (PHILIPPINES DAILY EXPRESS, 13 Apr 82)	49
Power Struggle Seen After Marcos (Danny M. Gonzales; VISAYAN HERALD, 12 Apr 82)	50
Editorial: Freedom of Speech Threatened (VISAYAN HERALD, 14 Apr 82)	52
Radiomen Defy Stop-Broadcast Order (Mike Yncino; VISAYAN HERALD, 14 Apr 82)	53
Support for Radiomen's Defiance (VISAYAN HERALD, 15 Apr 82)	55
Press Conference on Human Rights (VISAYAN HERALD, 15 Apr 82)	56
Unemployment, Strikes a Serious Matter (Eddie R. Gandionco; VISAYAN HERALD, 6 Apr 82)	57
Syrian Trained Terrorist Held (PHILIPPINES DAILY EXPRESS, 13 Apr 82)	59
MNLF, CPP Cooperate (Vic Pena; PHILIPPINES DAILY EXPRESS, 12 Apr 82)	60
SRI LANKA	
Briefs	
Syndicated Loan	61
THAILAND	
'Young Turk' Officer Reinstated to Former Command (MATICHON, 4 May 82)	62

ARBITRATION COMMISSION REJECTS GENERAL WAGE RISE

BK141442 Melbourne Overseas Service in English 0830 GMT 14 May 82

[Text] The full bench of the Australian Arbitration Commission has decided against granting a general wage rise. At the same time it has called a conference to consider the future of the wage fixing system. The decision has pleased employers and the federal government and disappointed unions and the opposition. It follows the first national wage hearing since the centralized system pegging wages to cost of living increases was abandoned in July last year.

The Australian Council of Trade Unions [ACTU] has sought a community catch-up rise of \$25 a week--about U.S.\$27--for workers who were not included in a recent round of wage increases. The president of the Arbitration Commission, Sir John Moore, said in handing down its decision that such a rise would mean a substantial increase in labor costs at difficult time for the economy. He said the full bench had difficulty identifying the lag in community wages claimed by the ACTU. Sir John said wage hearings conducted during the next few months on a case by case basis would be critical not only to the economy but to the future of wage determination. He said he had called a conference for (?17 August) to examine the future of wage fixing which could involve returning to a structured centralized system or moving to a more decentralized approach.

The industrial relations minister, Mr Macphee, later said the decision of the full bench had made a significant contribution to an atmosphere of wage moderation and a lower level of industrial disputes.

The opposition spokesman on industrial relations, Mr Hawke, said he was concerned that following the decision the strong would get stronger and the weak would get weaker.

The director of the Confederation of Australian Industry, Mr (Belides), said it was the sort of decision that employers hoped for, putting the onus on the unions to decide what their wages policy should be.

The president of the ACTU, Mr Dolan, said claims by individual unions following the decision could lead to industrial disruption depending on the reaction of employers.

The ACTU executive passed the resolution stating that a campaign for increased wages and shorter hours would continue.

CSO: 4220/607

AUSTRALIA

BRIEFS

DEPLOYMENT OF FORCES OVERSEAS--Australia's civilian defense chief has warned that it would be imprudent for Australia to neglect its long-term national interest by assuming a global military role. Secretary of the Defense Department (Bill Prichet) said it would be feasible to train and equip a multiservice defense force for deployment in areas remote from Australia, such as the Persian Gulf. But he told a conference in Sydney that defense planners would be cautious at developing a defense force geared exclusively or predominantly for involvement in remote areas even though regional indicators were at present reassuring. [Text] [BK161103 Melbourne Overseas Service in English 0830 GMT 16 May 82]

TRADE WITH SAUDI ARABIA--Trading ties between Australia and Saudi Arabia have been strengthened this week with the inaugural meeting of the Australia-Saudi Arabia Joint Commission. Speaking in Melbourne today, the Saudi minister of commerce, Dr Sulaym, said it was hoped the new commission will increase trade between the two countries. Australia currently imports more than A\$500 million worth of products, mainly oil, from Saudi Arabia each year, while in return, Australia exports just under A\$280 million worth to the Middle East kingdom. Dr Sulaym said there was plenty of opportunity for Australian exports to increase. He said Saudi Arabia was interested in tapping Australia's expertise in the field of mineral resources development. [Text] [Melbourne Overseas Service in English 0830 GMT 7 Apr 82]

COAL LIQUEFACTION INDUSTRY--New Zealand's Energy Minister Mr Birch has suggested that Australia and New Zealand jointly developed multimillion dollar coal-to-oil liquefaction industry. Speaking at Brisbane, Mr Birch said it will be far more beneficial for both countries to develop the industry on a joint basis rather than a competitive one. Mr Birch said he was particularly interested in a recent in-depth study of the development of coal liquefaction industries in two Australian states, Queensland and Victoria. He said the technology used to develop these industries in Australia would be of major value in the development of a New Zealand liquefaction industry. Mr Birch was speaking after visiting Central Queensland coal fields as a guest of the Queensland's government. He said his visit to the fields would help the New Zealand Government assess Australian coal companies that have stated an interest in developing large coal fields on New Zealand's South Island. Meanwhile, the minister for primary industry, Peter Nixon, has announced the removal of one of the

major obstacles to free trade talks between Australia and New Zealand. Mr Nixon told an agricultural field day in Victoria that an agreement had been reached on including dairy products in the round of talks to establish a closer economic relationship between both countries. He said the agreement was consistent with Australia's condition to safeguard the interests of the Australian dairy industry. [Excerpt] [Melbourne Overseas Service in English 0830 GMT 3 Apr 82]

SURPLUS IN BALANCE OF PAYMENT--A record net inflow of capital during April has resulted in a large surplus in the latest balance of payment figures. The Bureau of Statistics says almost \$2 billion came into Australia during April mainly as a result of companies borrowing overseas. The result is a surplus of about 1.2 billion in the balance of payment. The balance of trade also improved last month because of lower imports of goods, such as machinery. [Text] [BK131255 Melbourne Overseas Service in English 1500 GMT 12 May 82]

AUSTRALIA DEVELOPS ANTI-MISSILE 'DECOY'--Australian defence scientists have developed a decoy which could protect ships from missiles similar to that which wrecked the destroyer Sheffield. It has undergone successful trials in Australian waters. The system, known as project Winnin, consists of a small hovering rocket deployed away from the ship. It dispenses a sophisticated range of electronic communications, including radar and infra-red signals which are designed to attract an incoming missile. [Report by "Our Sydney correspondent": "Anti-Missile Breakthrough"] [Text] [PM181333 London THE DAILY TELEGRAPH in English 18 May 82 p 4]

CSO: 4220/643

BURMA

THAI DELEGATION ARRIVES FOR BORDER TALKS

BK201645 Rangoon Domestic Service in Burmese 1330 GMT 20 May 82

[Text] An 11-member [figure as heard] Thai delegation headed by Thai Deputy Foreign Minister Dr Arun Phanuphong flew into Rangoon this evening at the invitation of the Government of the Socialist Republic of the Union of Burma. The Thai delegation was received at the airport by Deputy Foreign Minister U Tin Ohn, Burmese Ambassador to Thailand U Soe Myint, Thai Ambassador to Burma Phirat Itsarasena and responsible officials of the Foreign Ministry, the Ministry of Home and Religious Affairs, the Land Survey Department and the Thai Embassy in Rangoon.

Director General of the Thai Foreign Ministry's Treaty and Legal Department Dr (Sathit Satiyasaiya), Deputy Under Secretary of the Interior Ministry (Lakphum Phaksi), Director General of the (?Administration) Department (Chalong Bhiranasuk), Director of the Naval Hydrographic Department of the Royal Thai Navy Rear Admiral (Rot Hoprasit) and responsible officials of the office of the National Security Council, the Land Survey Department and the Foreign Ministry accompanied the deputy foreign minister as members of the Thai delegation.

The Thai deputy foreign minister and his delegation will hold talks with the Burmese side headed by Deputy Foreign Minister U Tin Ohn on matters concerning the Mae Sai-Mae (?Moei) border area.

CSO: 4211/19

PAPERS ON CONTENT, PROCEDURE OF TALKS WITH PRC

Madras THE HINDU in English 5 May 82 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, May 4.

An 11-member Chinese delegation led by the Vice-Foreign Minister, Mr. Fu Hao, who is equivalent to a Secretary in the Government of India, is arriving on May 15 for the next round of official level talks on the border dispute.

The Chinese delegation will spend the first two days in private consultations, as the Indian team did when it went to Beijing in December last, to prepare for the talks which begin on May 17 and will go on till May 21, according to current indications.

There are reports of a major overhaul of the Chinese Governmental set-up, including a drastic reduction of Vice-Premiers from 13 to two, followed by a parallel curtailment of the number of Cabinet Ministers from 52 to 41 and Vice-Foreign Ministers from 10 to 4 indicating that Mr. Deng Xiaoping's bid to consolidate his hold is far from complete.

The name of Mr. Fu Hao has not been specifically mentioned in the Xinhua report as one of the four Vice-Foreign Ministers who have been retained, but in the absence of any official announcement to the contrary the Government of India is proceeding on the assumption that he would be leading the Chinese delegation.

However, the reported changes have left many observers of the Sino-Indian scene wondering whether in the midst of this widespread shake-up Mr. Fu would be coming with a comprehensive brief to engage in substantive discussions on various aspects of the border question. But as a veteran diplomat who is well acquainted with the complexities of this problem he is not going to shirk from discussing the border issue in depth if only to explore the possibilities of a settlement, even if he is in no position at this stage to commit his Government to any particular course of accommodation.

At the last round of talks in Beijing, the two sides merely reiterated their basic approaches without getting down to the guts of the problem. But they will have to move forward during the Delhi round to the stage of at least exchanging views on their respective concepts of a settlement, before entering into serious negotiations at a later stage.

Real task: The real task at these talks is not to just keep talking to avoid the impression of a breakdown even if the two countries are unable to make any tangible progress during these discussions. The whole emphasis will be on identifying the common ground, if any, between the divergent approaches that could serve as a starting point for substantive negotiations.

There have been some preparatory talks in Beijing between the Indian Ambassador, Mr. K. S. Bajpai, and the Chinese Foreign Ministry, but these exchanges were by and large confined to procedural matters for conducting the discussions in a more purposeful manner to set the right tone for the subsequent rounds of this dialogue. Otherwise, neither side was expected to nor willing to disclose its negotiating strategy nor indicate how far it was prepared to go at this stage in coming to grips with the border problem.

For psychological reasons, however, the two sides are equally keen on keeping up an atmosphere of expectation that with the necessary determination to resolve this dispute it should not be beyond the capacity of India and China to evolve a mutually acceptable compromise. But until they have gone through the probing stages and are reasonably satisfied about each other's desire for a settlement, it is not possible to start serious discussions on the elements of mutual concessions that could conceivably lead step by step to a comprehensive settlement.

The process of sustaining some degree of optimism during this confidence building stages will inevitably involve a corresponding

effort to carry forward the process of normalisation in other spheres like economic and cultural relations, while the two countries make a serious endeavour to resolve the border dispute. Due attention is, therefore, being given to this aspect in the preparation of the briefs for the next round of the official-level discussions.

Envoy coming: The Indian delegation to the talks will be led by the Secretary in the External Affairs Ministry, Mr. Eric Gonsalves, who has been handling these Sino-Indian negotiations. It will include Mr. Bajpai, who is arriving on May 9 for advance consultations. He will go back to Beijing to make his farewell calls before returning to Delhi a few weeks later to take up his new appointment as Secretary in place of Mr. Gonsalves when he goes to Brussels as Ambassador.

CSO: 4220/7260

BORDER ISSUE MAJOR PROBLEM

Calcutta THE STATESMAN in English 5 May 82 pp 1, 9

[Text] From Our Special Representative
NEW DELHI, May 4.—Senior officials of India and China will resume their talks here to find ways of normalizing bilateral relations and to find a solution to the contentious border issue.

A 10-member Chinese delegation, headed by Mr Fu Hua, Vice-Foreign Minister, will arrive here on May 15 to pick up the threads of the bilateral dialogue from where they were left at the last round in Beijing about four months ago. The talks beginning on May 17 will conclude on May 21.

Mr Eric Gonsalves, Secretary in the Ministry of External Affairs, will lead the Indian delegation. The Indian Ambassador in Beijing, Mr K. S. Bajpai, will be here on May 9 for consultations at the Foreign Office.

The talks are expected to cover a wide range of subjects including trade, economic cooperation and cultural relations. Both sides are committed to work towards normalizing relations. But then the problem facing them will be to find a mutually acceptable solution to the border issue with China in control of vast slices of Indian territory in the north, central and eastern sectors of the India-China border.

There has been some relaxation of tension in the relations between the two countries during the past two years—the one to contribute most to this was, of course, the Chinese decision last year to let Indian pilgrims visit Mansarovar. There have been exchanges at other levels as well. For instance, a Chinese Press delegation is currently visiting the country. But much will ultimately depend on how far the Chinese are prepared to go to meet the Indian position on the border issue. This would indeed hold the key to the outcome of this and other rounds that may follow.

Our Special Representative in Calcutta adds: Mr Jiang Yuanchun,

Deputy Director, International News Department of the People's Daily and leader of the seven-member Chinese Press delegation now visiting India, said in Calcutta on Tuesday that there was no difference between the Press and the Government regarding the policies pursued by the Government in his country. The Press in China supported the Government's policies on national development and peace and journalism in his country had become an important medium for propagating the Government's policies and programmes to the masses.

He, however, said that the Press did not spare erring Ministers and officials for whose sake the people suffered. Reporters had freedom to investigate and write critical stories which often jeopardized the position of Ministers and officials. No attempt was made to suppress facts as this was not permissible under the Chinese constitution. Recently the Press wrote critical pieces about a Minister who, after having food in a hotel, did not pay his bill in full.

Mr Jiang praised the efficiency of Indian journalists and said that they did a better job than their Chinese counterpart. Technologically also, the Indian Press was more advanced. Chinese characters were standing in the way of modernizing the production techniques. Since there was no typewriter which featured Chinese characters, editors and reporters had to write pieces in their own hand.

Mr Jian said that the support by the Chinese Press and radio to some Indian political elements during the cultural revolution was a wrong policy of the Government. China did not believe in interfering in the internal affairs of any country. The Chinese Press did not publish stories which it thought were the internal affairs of other countries. When asked whether the Chinese Press published stories about Maneka Gandhi leaving Mrs Gandhi's house, he replied in the negative. "This is an internal affair of India", was his remark.

He lauded the role of the Chinese Press in the process of democratization in his country. The Press, he said, had no role when it was totally controlled by the "Gang of Four". He said that there was no question of China condemning the USA on developments in El Salvador as the USA had committed no aggression in that country.

Earlier in a brief speech, he said that the delegation had come to India to promote the age-old ties and friendship between the two countries.

SINGAPORE DEVELOPMENT OF BATAM ISLAND REVIEWED

BK151109 Hong Kong AFP in English 1027 GMT 15 May 82

[Text] Singapore, 15 May (AFP)--A Singapore trading company has won a massive \$400 million (U.S.\$190 million) contract to supply granite to the island of Batam, it was reported today.

Comfort Marine, which has delivered 3 million tonnes of granite to the Batam Industrial Development Authority (BIDA) since last month, is getting the assorted sizes granite from Agaleim quarry in the south Malaysian state of Johor, the BUSINESS TIMES said. Barges are being used for the delivery of the rocks, expected to be completed in 2 years. Batam Island is about 22 km (13 miles) from Singapore.

Construction of infrastructure facilities has been in progress for the last 2 years when the Indonesian Government decided to go ahead and develop Batam into an industrial centre to complement Singapore.

An Indonesian Embassy official here told the paper that the infrastructure facilities on the island should be ready by 1985.

Construction of a 300-room hotel and airport, and the enlargement of the harbour is underway. Fifty percent of the road network linking the three main industrial areas of Sekupang, Batu Ampar and Nangsa have been completed, the official was quoted as saying.

Meanwhile, 35 companies and factories dealing in shipping and cargo handling, beef and meat processing, a metal fabrication yard and a pipe-coating plant, have already started operating from the island. To date some \$76 million (U.S.\$36 million) have been invested in various projects on the island, the BUSINESS TIMES said.

The development of Batam Island into an industrial centre has the official backing of Singapore although it has no investments in the project.

In November 1980 the two countries signed an agreement to slash red tape and to facilitate the movement of capital, men and machines to Batam to speed up its development.

CSO: 4220/607

INDONESIA

BRIEFS

WEST GERMAN LOAN--Indonesia and West Germany concluded a financial cooperation agreement for the 1982-83 fiscal year in Jakarta on 14 May. The agreement covers a \$52.45 million loan for the financing of a number of development projects, including the Bukit Asem Coal Mining project and electrification projects in West Sumatera Province. It will also be used partly to finance the construction of projects launched in the previous fiscal year. [BK191507 Jakarta Domestic Service in Indonesian 0700 GMT 14 May 82 BK]

TIN EXPORT FROM SOUTH SUMATRA--South Sumatra exported 2,785 tons of tin, worth \$40,295,000 in March 1982. Nearly 1,375 tons of the volume was shipped to Singapore and the rest to EEC countries. In February 1982, the figure stood at 2,125 tons with a total value of \$32,186,000. [BK191507 Jakarta Domestic Service in Indonesian 1200 GMT 16 May 82 BK]

ZAMRUD OIL FIELD PRODUCTION--Jakarta, 11 May (ANTARA)--Contractors of Pertamina, American companies California Asiatic Oil Co and Texaco Overseas Petroleum Co, have started to produce oil at the Zamrud field in Riau at the rate of 21,300 barrels per day. Production is carried out by PT Caltex Pacific Indonesia (CPI), a joint venture company formed by the two contractors, the Public Relations Office of Pertamina announced Monday [10 May]. The more than 20,000 barrels production come from 8 of 11 wells that have been drilled at the Zamrud area. The other three wells will soon be linked with the production network of Zamrud. Zamrud is the last of four oil fields which are now producing in the Beruk-Zamrud project area. [Excerpt] [BK131315 Jakarta ANTARA in English 1315 GMT 11 May 82]

CSO: 4220/607

KAYSONE PHOMVIHAN DISCUSSES TRANSITION TO SOCIALISM

Vientiane BULLETIN QUOTIDIEN in French 6, 8-10 Mar 82

[Article by Kaysone Phomvihan, general secretary of the CC [Central Committee] of the Lao People's Revolutionary Party [LPRP] and prime minister of the Lao Democratic People's Republic, first published in the NOUVELLE REVUE INTERNATIONALE--PROBLEMES DE LA PAIX ET DU SOCIALISME, September 1981: "The Strategy of the Transition to Socialism"]

[6 Mar 82 pp 7-10]

[Text] The transition to socialism is a logical continuation and development of the revolutionary process in this country. Relying on the principles of Marxism-Leninism and fortified by the experience of fellow countries, our party initiated a policy for the socialist transformation of society after the victory in 1975 of the national democratic revolution in Laos. This policy has its origin in the political program of the LPRP and has the objective of "meeting all the conditions necessary for a direct transition to socialism and bypassing the capitalist stage of development."

Since this goal was set by the 2nd LPRP congress in 1972, the party has devoted itself to developing and perfecting its strategy, adapting it to the political, economic and social tasks of the transition period.

We are making our way toward socialism, and we are carrying through with the general laws of socialist revolution discovered by Marxism-Leninism. Our party seeks to apply them creatively and adapt them to the specific facts of life in Laos.

"The concrete analysis of a concrete situation," that is the cardinal Leninist principle that we are applying to develop our strategy in the transition period.

What, then, is special about the present situation in Laos?

First, it must be emphasized that Laos is the outpost of socialism in Southeast Asia; it is on the front line of the confrontation between the socialist and capitalist systems in this region. This country suffered for several decades under the yoke of colonialism and imperialist aggression; it is still under bitter attack and subversion by reactionary forces. Reactionary feudalism, former colonialists, American imperialists, hostile governing circles in Thailand and other ASEAN [Association of Southeast Asian Nations] nations, the Peking

expansionists and hegemonists in collusion with the imperialists and reactionaries of every stripe, all these represent the combined forces against which we must constantly struggle. The enemies of our revolution are working in concert. They are arming and sending commando units and pirates against Laos, they are carrying on psychological warfare, engaging in economic sabotage, and seeking to provoke trouble in the country in an attempt to overthrow the people's government and roll back the process of social transformation.

What conclusions can we draw from these facts?

Our party considers, first, that the peaceful edification of Laos should be closely tied to the consolidation of the armed forces and the improvement of their combat readiness in order to defend the country's independence and the people's revolutionary conquests. Historical experience supplies irrefutable evidence: a revolution that cannot defend itself is condemned to death. Then, every step of the way, we must unmask the main enemy and concentrate our efforts on defeating him. Against our enemies we turn a policy of principle that consists in determinedly combating their intrigues and defending the conquests of the revolution. This policy is applied with flexible tactics, which is particularly important for a small country that has no great economic power or any great potential for defense. While refusing to compromising on matters of principle, our party seeks to avoid crisis situations in foreign policy.

Firmness and flexibility characterize our relations with Thailand, the other ASEAN countries, the United States, and other Western countries. In general, our foreign policy strives to ensure peaceful international conditions favoring the building of socialism in Laos. Our foreign policy aims especially at developing cooperation with all the countries of Southeast Asia on the basis of the principles of mutual respect, independence, and peaceful coexistence in order to ensure peace, stability, and prosperity in this region of the world.

The third conclusion to be drawn from Laos's special position is that it implies a link between the national and international tasks of socialist transformation in our country. The LPRP considers Laos to be an integral part of the socialist community. We are constantly strengthening our ties of revolutionary solidarity with Vietnam and Kampuchea, which has freed itself from the genocidal regime of Pol Pot and Ieng Sary. We attach special importance to the increase in cooperation with the Soviet Union and sister countries. While relying mainly on our own ways and means, we are also counting on the aid and support of socialist countries, which is an important factor for success in the defense of revolutionary conquests and in building socialism in Laos.

Another objective characteristic that is being taken into close account in developing and perfecting the strategy of transition is the country's low level of economic and social development. There is practically no heavy industry in Laos. Before the revolution, the country had a few hundred small businesses, essentially in light industry and food; each rarely employed more than 20 people. At the time, the United States helped build several businesses by using imported raw materials; they delivered their production to the Americans and their local servants and functioned as a nursery for the moneyed bourgeoisie. The new government has nationalized them.

The economy of Laos was caught until recently in the vise of feudalism and colonialism; it is still largely agricultural, with some small production from scattered family farms. Cottage industries have sprung up in several regions of the country, but they are generally no larger than family shops. Agriculture is unprofitable and has not yet succeeded in meeting the needs of the population. In some places, archaic methods of farming are still in use, and the division of labor does not go beyond the village or even the family. Trade exists only on the plains and in the towns.

The extension of commerce is hobbled by a lack of seaports and terrible transportation facilities. The country's present social system is characterized by a variety of economic structures. There are five of them: public (agricultural businesses and nationalized industries); cooperative, which includes a large part of the farmers (40 percent of the families in the rice-growing regions) and the artisans; mixed or state capitalist structures; private capitalism; and, finally and most frequently, small production units, where patriarchal, clan and tribal ties are sufficiently strong. The large majority of the Lao population lives in conditions of feudal underdevelopment. This means we have to build socialism by bypassing not only the capitalist stage but also that of centralized and developed feudalism. Having said this, what can we deduce from it that might be useful for our strategy?

First, our strategy must be one that is irreversibly directed toward a gradual transition to socialism. In this day and age we can skip the stage of developed feudalism and capitalism, but we cannot do the same with other stages objectively necessary for building the new society without jeopardizing the building of socialism. Thus, the party cannot agree to make transformations where the groundwork has not yet been laid. It rejects the temptation to socialize and collectivize too quickly without regard for actual conditions and to "install" socialism solely through administrative methods. After all, V. Lenin repeatedly emphasized that such behavior only undermined the building of socialism.

The party seeks to evaluate realistically the means at its disposal and the possibilities open to it. The 7th general meeting of the CC of the LPRP in 1979 noted that the country is at the very first phase of the transitional period. By our estimates, the transition to socialism will go through several stages and will take about 20-25 years, maybe even more, because it will depend on the course of events. The 7th general meeting emphasized that in moving into a new social order economic and social transformations and the building of socialism should be done simultaneously and be closely linked. In doing so, the building of socialism shall play a basic part. Why? Simply because there is practically nothing left for us to transform directly.

[8 Mar 82 pp 5-8]

[Text] Any further change can be made only by creating new productive forces and establishing new production arrangements. The decisive transformations for the present stage of the revolution have already been completed: the old government apparatus has been done away with; the power of the workers has been instituted; town and city lands, natural resources, and the property of the moneyed middle-class, large feudalists and other reactionaries has been nationalized; the bases of the public sector of the economy, including more than 500 businesses, have been laid; and an effective system of state control over the activity of private enterprise leaders has been set up. In order to enter

the new stage of transformations equivalent in depth and significance to the previous ones, it will be indispensable to lay the material and social groundwork, that is, to develop the forces of production, ensure conditions that will establish new productive relationships, raise the masses' living standards, etc. Obviously these tasks can be done only by laying the appropriate material and technical foundations starting with existing economic structures, including private capitalism.

Does all that mean a kind of moratorium has been invoked concerning future transformations? Obviously not. It simply means that social mutations must be brought about scientifically by keeping in mind the real needs and possibilities that exist in this respect.

Our revolution must first set about solving the problems inherent in the transition period, when, to cite the words of Lenin, the majority of the people is made up "not of workers who have learned in the school of capitalist factories but of typical representatives of the mass of exploited workers and by peasants burdened by the yoke of medievalism."

The working class in Laos includes some 50,000 workers. Adding administrative and military civil servants, they comprise 3 percent of the population. The rest are mainly farmers; the stratum of small businessmen and artisans is also rather important. As for the nation's middle class, it has always been small, and its members can now be reckoned at a handful. Is the transition to socialism possible in such a country?

Our experience and the previous experience of Mongolia and Vietnam indicate that it is. Indeed it is, if the campaign to install the new regime is led by the party, and the party adheres to the positions of the working class, which is itself informed by Marxist-Leninist ideology. In our context, the main thing is not the number of workers in the party but their adherence to the interests and objectives of the proletariat, not to mention the consistent application of Leninist principles concerning leadership of the masses and building the party. That was the starting point of the PPRL, which was born from the union of the national liberation movement and Marxism-Leninism. That is why it has been able to take on successfully the role of leader of the revolution and lead it to victory, with the solid union of the working class and farmers as forged by the party as the decisive factor. This factor will remain the decisive one until socialism is achieved. Under the specific conditions prevailing in this country, this will be the primary factor for achieving the dictatorship of the proletariat, which is the main instrument for defending revolutionary conquests, proceeding towards building socialism and reeducating the mass of small producers for the purpose of drawing them into collective production.

An especially important aspect that we always consider in developing the strategy for the transition period is the multinational composition of our country's population, for no nationality predominates. Laos is inhabited by nearly 70 nationalities and ethnic groups at various stages of economic, social and cultural development. The nationalities question is one of the basic ones of the Lao revolution and in building socialism in this country. The party seeks to integrate the solution of this problem with the tasks of socialist transformation of society; it is striving to give cohesion to the nationalities and ethnic groups in Laos by considering their individualities and common interests in the struggle for a better future.

Our cultural backwardness throws up serious obstacles to the transition to socialism. Our people have a rich and ancient culture that was interrupted by colonialism. Before the revolution, 97 percent of the population was illiterate. We have attacked illiteracy with great success in recent years; more than 80 percent of the people have learned to read and write. But there is a lot left to be done in this area, and it is only a first step toward the cultural revolution that we still have left to achieve.

In general terms, these are the main characteristics of the transition period in Laos. The party pays careful attention to them both when it sets some course of strategy in the transition to socialism and when it plans which forms and mechanisms to use in implementing the strategy.

The 4th general meeting of the CC of the LPRP in 1977 set forth the program of 3 simultaneous revolutions in the transition to socialism: a revolution in production, a scientific and technical revolution, and an ideological and cultural revolution. The first of the three is to play the leading role, the second occupies a key position, and the third will be somewhat more advanced than the other two.

These three revolutions are the component parts of a single process. They are closely related and markedly influence one another. A new society, productive forces and new means of production, and a new man, those are the objectives of these revolutions, which can be achieved only if undertaken simultaneously. However, each one has a particular place in the process of social development, each has its own function, and each pursues its particular objectives, which are shaped by the needs of building socialism.

What are the production goals of the revolution in the first stage of the transition to socialism? They consist first in completely restructuring the system of property, which means doing away with the capitalist private-enterprise economy and installing a socialist property system in two forms: property of the entire people and collective property. Then socialist production methods must be given the dominant role in the national economy; the workers must be guaranteed the right to be the collective rulers of the country. The way must also be found to transform individual production units into a great socialist production unit. The major objective for Laos is to turn the natural economy into a trading economy. The revolution in production methods will completely do away with the natural economy. That means it will have to reach into all the regions of the country, even the most remote and hard to reach; otherwise they will remain backward (as, for example, in Thailand, where the cities are modern while the countryside remains medieval). The disappearance of the natural economy is a decisive factor in transforming the psychology, lifestyle, and working methods of the rural people, who still do not know how to work and live as modern times require; these people have always lived in closed patriarchal communities and work only to feed themselves. The transformation of the natural economy has another important feature: Laos can effectively participate in the commercial, financial and other activities of the Council of Mutual Economic Assistance and thus become an entirely independent member of that organization only if it has suitably developed commercial production and trade. The production revolution has basic importance, but it cannot by itself lead to putting appreciable socialist production into practice and ensure the continued development of production conditions.

[9 Mar 82 pp 5-8]

[Text] In Laos, the most acute question concerning the transition to socialism is the following: how can the new production forces be developed and work productivity increased? The answer cannot be found outside of scientific and technological progress. Therefore our party considers the scientific and technological revolution to be a major one in the process of simultaneously carrying forth the three revolutions. What objectives does it set for itself? They consist in applying under the special conditions of Laos the achievements of science and technology in agricultural and industrial production, in improving management of the economy, in assimilating the advanced production experience of other countries, and in using effectively the scientific and technological aid of the socialist countries. Also, we should be able to realize full profits from our cottage industries as we seek to raise them gradually to a mechanized level of production. Thus, the scientific and technological revolution is essential for a backward country to do away with poverty and underdevelopment, thus taking the first steps toward the total victory of socialism.

The ideological and cultural revolution is a necessary and major factor in the transition to socialism. It aims to transform the awareness of the masses and their way of life and to form a new man permeated with a high degree of revolutionary spirit and extensive education; it is also intended to provide qualified people to manage the economy and society. Even recently, the large majority of the Lao people were illiterate, because they were victims of the policy of enforced ignorance applied for long years by the colonialists and the feudalists. In the area of ideology and education, the revolution must therefore take precedence over the others. The party is particularly attentive to the education of youth. In line with the LPRP's general policy, the press, radio, cinema, art and literature are to have much larger scope in order to meet the increased needs of building socialism. Also, the party is struggling against the vestiges of feudal and colonial ideology and culture and against the outdated customs and traditions inherited from the old society. The establishment of a new socialist culture and the training of the new man are important elements that will effectively stimulate new means of production and the scientific and technological revolution.

Our party is aware of the considerable difficulties to be overcome during the transition period. However, we also know our country's and peoples' potentialities. We started from a very low level of production, socio-economic relations and education. But laying the foundations of socialism does not mean starting from scratch. Success in national economic recovery and development achieved under the 3-year plan (1978-80) shows that our workers are capable of solving great economic problems under the direction of the party. Several dozen factories were built in those years; the second stage of the Namngum hydroelectric plant was finished, making it possible to increase electrical output considerably; nearly 5,000 km of roads were repaired or constructed; and aircraft and automobile companies were founded.

Our country has great natural resources; favorable conditions exist for developing forestry, agriculture and animal husbandry. We have great energy reserves and useful minerals: iron, coal, non-ferrous metals, raw materials for the cement industry, and others. The 8th general meeting of the CC of the LPRP (1980)

set forth a program of social and economic development for Laos for the period 1981-85 (the basis for the first 5-year plan of our Republic); its plans for the maximum use of all these possibilities.

The basic objectives of our 5-year plan are to strengthen the construction of the economy, to extend the state and collective sectors in the economy, to improve the people's living standards, to strengthen national defense, and to speed up the scientific, technological and cultural progress of the country. For the 5-year period, the plan provides that national production shall increase 65-68 percent; the volume of agricultural production, 23-24 percent; industrial production, more than twice; and by the end of 1983, illiteracy among young people shall be erased. Substantial changes in the structure of society will be necessary to carry out the plan. The plan also provides, in particular, that by the end of the 5-year period the numerical composition of workers and state employees will reach 40-45 percent. Implementation of the plan will be the decisive step in the first stage of Laos's transition to socialism. What are the essential problems of the country's economic development?

First, there is the structural problem. To solve it, industry, agriculture and lumbering must be put under a single agro-industrial structure on a national scale. Also, agriculture and lumbering must give impetus to the development of industry, which will stimulate them in its turn. Conditions in this country are not favorable for accelerated industrialization in the first stage of the transition to socialism. At the moment, the country cannot provide the equipment, labor and management for construction and industry. That is why the implementation of a socialist economy in this country consists in beginning with the development of agriculture and lumbering, which shall meet the needs of the population and national defense and make wood products for export in exchange for machinery and industrial equipment. The basic task of agriculture is to solve the food problem in coming years and to make it eventually unnecessary to import food products.

The party considers the grouping of farmers into cooperatives as the decisive condition for transforming agriculture and lumbering into a structure on which an industry can be built. We shall also lay the foundations for a state agricultural and lumbering economy. In doing this, we shall consider the condition and existence of agricultural areas, natural resources, economic experience and traditions of the regional population involved. This will help to reorganize production systematically, judiciously distribute and use natural resources and labor in accordance with the unified state plan.

The party also attaches great importance to another aspect of the structural problem: the establishment of a proper relationship between locally and centrally managed economies. This will involve optimal use of the principle of democratic centralism in the national economy. A few years ago, especially in 1976-77, the effectiveness of our economic policy suffered from a tendency toward excessive centralism. We are correcting that and at the same time trying to avoid rash decentralization of the economy. The party feels that in the initial stage of building a socialist economy, when agriculture and lumbering are the basis for industrial development, the regional economy should be developed first and that the greatest efforts and amount of resources should be devoted to it in order to lay the bases for a centrally managed economy. To do this, it is indispensable to reorganize the system of distribution of labor, centralization and

cooperation in production first at the provincial and then at the national level. This seems to be the best way for Laos, because it meets the objective needs of the transition period, which is shaped by the transition from small commercial production to large-scale socialist production.

In practice, economy-building in our country and in other socialist countries reveals the need to make widespread use of the law of intrinsic value, commercial relations, balanced management, credit, prices, and profits in order to ensure correct relationships between production and consumption and accumulation and consumption. This means that one of the first things that must be done is to set up an efficient organization of trade and distribution. There was a time when we underestimated the importance of all this.

[10 Mar 82 pp 4-7]

[Text] It has been emphasized that the national economy can develop, wider production be stimulated, the people's material needs be met, and society's increased wealth be insured only if trade and distribution are well organized, price policy is applied judiciously, purchasing and marketing are done properly, and distribution costs are reduced in order to encourage trade and satisfy in a timely manner the needs of industry. Achieving all that will make it possible to overcome contradictions in the economy in the transition period, namely contradictions between the possibilities of production and the needs of the population, between capital formation intended to speed up economic development and the growth of consumption as well as to improve the material condition of the masses.

To solve these complex problems, we are making great use of fellow countries' experience in making the transition to socialism, mainly the Soviet Union. The new economic policy, the works of Lenin, such as the immediate tasks confronting the soviets' governmental power and the tax in kind that they collect, all have particular importance for us. The ideas they express constitute the strategy outlined by the 7th general meeting of the CC of the LPRP. Basically it is a specific expression of the general principles of the NEP [New Economic Policy] formulated by Lenin and applied to Laos. The Leninist thesis on commerce as a "link" in the chain of historical events "which we must seize with all our might as the government of a proletarian state and as leaders of the Communist Party" has become the byword in Laos for the present transition period, where commerce is the main channel of distribution.

We are encouraging domestic trade by all possible means; it will almost double in the coming 5-year period. We are actively helping develop foreign trade, in which our plans also provide for growth. The state is also encouraging, within limits, private trade, which it controls. The government is stimulating trade between urban centers and the countryside, and transportation development is helping with that. Domestic traffic in merchandise will increase 85 percent in the 5-year period. Rules are being introduced on collecting taxes in kind. These rules are stable and uniform for the whole country and will make it possible to increase harvests, consolidate the process of cooperativization, raise buying volume, supply food to the population on a larger scale, and help stimulate agricultural production. Farmers are being encouraged to sow for a second harvest. If, for example, a farmer plants another crop on his field during the dry season, it will not be taxed. The income tax on cooperatives has been reduced considerably; in mountain regions, where farming is very difficult, it is not collected. The state encourages the use of advanced methods of farming.

Thus, farmers who are starting to practice irrigated rice-growing are exempt from the farm tax for 3 years. All these measures tend to transform old means of production and to form new ones, to restructure the distribution of labor, and to create the technical and material bases for making the transition directly to socialism.

History has placed a heavy responsibility on our party for the destiny of the revolution and the future of the Lao people. If we are to fulfill this responsibility honorably, we shall have to maintain unswervingly the three unities: unity of the people, unity of the party, and unity of Laos with its fellow socialist parties.

The unity of the people in the transition to socialism is an extensive and close alliance of city and country workers, intellectuals, and all levels of the population, including representatives from former leadership circles who have willingly agreed to be reeducated in order to become true workers. The indissoluble alliance between workers and farmers grouped together in cooperatives is the nucleus of this great unity. In the process of accomplishing the three revolutions, the party is striving to strengthen and perfect education and organization within the working class so that it may have the leading role in society. The LPRP is also actively working on education among the farmers in order to unite them as the process of socialist collectivization takes place. The national intelligentsia has an extremely important role to play in accomplishing the tasks of the transition period. We are therefore being careful to educate it in the spirit of Marxism-Leninism and of a close alliance between the workers and farmers. The party also supports members of the nation's middle class, religious and other sectors of society who align themselves with progressive and patriotic positions and are supportive of state policy.

In striving increasingly to consolidate the unity of the people, we are paying ever more attention to the problem of nationalities. The party is constantly extending activities tending to raise the level of educational effort among the various ethnic groups, to improve instruction and cultural and medical aid in regions populated by national minorities, and to train cadres from the different ethnic groups for building socialism. The activities are also intended to ensure close cohesion of the masses within a broad, united national front and within various social organizations, such as unions, youth and women's organizations, and others.

It is vitally important for us to consolidate the interior unity of the party. As it is the guiding force of the people and the headquarters of social construction, the party must be solidly united and have a single ideology and a single will. Only then will it be able to draw the workers and the whole people into the effort for the transition to socialism. Intent as we are on consolidating unity in the ranks of the party, we are aware that the LPRP was formed in a country characterized by special conditions and by backward social relationships. Our cadres and party members obviously could not help being influenced in their conceptions by this fact. We are therefore continuing to struggle against petit-bourgeois views, the farmers' patriarchal mentality, and the influence of feudal, bourgeois and imperialist ideology. At the same time, we are vigorously confronting all manifestations of opportunistic attitudes and combating all kinds of

petit-bourgeois illusions and deviationist tendencies. One of the main orientations of the party's ideological activity is the internationalist education of its members and of the whole people. This orientation flows organically from the LPRP's strategic policy, which is intended to consolidate unity with fellow parties in the socialist community and with the international communist workers movement. Our party's internationalism springs from its revolutionary traditions, its ideology, and its political stance. The solidarity of countries where socialism exists and of other world progressive forces have helped us overcome the colonialists and imperialist aggressors. It is helping our people today to advance confidently along the path of building socialism.

8782

CSO: 4200/35

TIN PRODUCERS ASSOCIATION JUSTIFIED

BK171221 Kuala Lumpur International Service in English 0800 GMT 17 May 82

[Unattributed commentary]

[Text] The three tin producing nations of ASEAN--Malaysia, Indonesia and Thailand--have agreed in principle to the formation of a Tin Producers Association among themselves. It is also open to other tin producers who would like to join the grouping. This decision was taken after a 2-day meeting in Kuala Lumpur over the weekend by the countries' ministers in whose portfolios lie the tin mining industries.

This is a defensive measure to safeguard the interest of the tin producers and not, as some consumer countries are likely to view it, as a mechanism of confrontation. It is a poor response from them for the ratification of the sixth international tin agreement that has forced the ASEAN tin producing nations to get together to form such an association. This can be seen from the fact that to date and past the April deadline that only slightly more than 50 percent of consumer votes has been received. For the agreement to come into force provisionally, 55 percent of the votes is required from both the producer and consumer countries. And for the agreement to come into force definitely, 80 percent of votes is required from both camps.

Producer countries have produced more than the required 80 percent of votes, thus indicating that given the option they would prefer the international tin agreement [ITA] which has served both producers and consumers well in the past 26 years. This can also be seen in the willingness of producer countries to make further efforts from now until 1 June to get more consumers to join the tin pact.

Rather than taking the view that the producers in ASEAN are out for a confrontation, consumer nations should instead give their support to them. Besides the uncertainty of ratification of the sixth ITA, there is the depressed prices of tin to consider thanks to the United States. Its General Services Administration's unloading of tin from its stockpile has caused havoc in the world market despite the fact that the United States is a member of the fifth international tin agreement.

There was jubilation among both producing and consuming countries when the United States joined the fifth pact for the first time. As it turns out its membership has been more destructive rather than productive. Since its entry into the fifth ITA it has been working more often than not against the spirit and essence of the tin pact which is to maintain order in the market for the mutual benefit of both the producers and consumers.

In 1977, when there was a shortage of tin, it failed to answer producers' pleas to ease the prevailing shortage by unloading tin from its stockpile. Last year, when there was an oversupply of the metal in the market, instead of holding back its release, it went against the wishes of the producers and started to unload the metal from its stockpile. If this is not enough indication of its destructiveness, further proof can be seen in its dumping of 100 metric tons of the metal on a weak market on the very day that the International Tin Council made export controls mandatory. Despite this the United States could still say that it will cooperate even if it is not a member of the sixth ITA.

Against such U.S. actions and the uncertainty over the ratification of the sixth ITA, is it any wonder then that producer countries would resort to all means possible to safeguard their own interests?

CSO: 4220/607

MALAYSIA

BRIEFS

FRENCH MINISTER ENDS VISIT--French investors have reached agreement with local partners for the setting up of two joint venture agricultural projects. Another three joint ventures are in the final stage of negotiations. The projects are prefabricated housing, aquaculture and the building of hospitals. This was disclosed by a French official in the 51-member French delegation led by the French deputy prime minister, Mr Michel Jobert, at Kuala Lumpur International Airport before leaving for home this evening. He said France attached great interest to Malaysia. This was demonstrated by the large delegation led by a high-ranking minister on a 5-day visit to Malaysia. The delegation included 35 leading businessmen, six bankers and 10 officials. He pointed out that the French leader had an overall review in all fields of its cooperation with Malaysia through discussions and talks with Malaysian leaders. He added that more French investment in Malaysia could be expected in the near future. [Text] [BK111427 Kuala Lumpur Domestic Service in English 1330 GMT 11 May 82]

JANUARY OIL, NONOIL EXPORTS--Peninsular Malaysia exported a total of 422,880 tons of crude petroleum valued at 282.3 million ringgit in January, more than half of it to Singapore. The republic was sold a total of 274,990 tons of the commodity valued at 183.4 million ringgit. Japan was sold a total of 147,890 tons valued at 99 million ringgit. In January last year, a total of 419,969 tons valued at 304.7 million ringgit were exported to Singapore, Japan and the United States. Peninsular Malaysia also exported a total of 119,704 tons of rubber valued at 229.5 million ringgit in January. Export of tin and tin concentrates during the month totalled 6,090 tons valued at 212.3 million ringgit with 3,100 tons or about half of it valued at 108.3 million ringgit going to Holland. [Text] [BK161505 Kuala Lumpur Domestic Service in English 1130 GMT 16 May 82]

JANUARY TRADE SURPLUS--From a deficit of 609 million ringgit in December, peninsular Malaysia recovered to record a trade surplus of more than 98 million ringgit in January. The recovery was achieved through a reduced import from 2,311 million in December to 1,450 million in January and export from 1,702 million to over 1,548 million ringgit. Preliminary figures released by the Statistics Department showed that machinery and transport equipment valued at 544 million ringgit continued to form the bulk of the import for January. This was followed by mineral fields, lubricants and allied products valued at 260 million and manufactured goods valued at nearly 205 million ringgit. [Text] [BK161505 Kuala Lumpur Domestic Service in English 1130 GMT 16 May 82]

CSO: 4220/607

OPPOSITION PARTY TO BAN U.S. NUCLEAR WARSHIPS VISIT

BK120313 Hong Kong AFP in English 0248 GMT 12 May 82

[Text] Wellington, 12 May (AFP)--New Zealand's opposition Labour Party is to make a direct approach to France over its continued nuclear testing in the South Pacific, and would ban American nuclear warships from its ports.

Labour leader Bill Rowling has told applauding party delegates in Wellington the time "has come for more direct action" on the testing issue. He said he would put the case personally to French President Francois Mitterrand in July this year.

Mr Rowling said he would seek the backing of Pacific island national states before his meeting with Mitterrand. In his most open warning yet, Mr Rowling told the United States a Labour government will ban its nuclear warships from New Zealand's ports.

He said with the present visits of nuclear warships (like the cruiser USS Truxton later this month) the United States was "thumbing its nose at a large body of New Zealanders" and he again called for changes to the Anzus Alliance. "In recent times we have made it abundantly plain that Anzus is no longer acceptable in its present form."

Mr Rowling said he has raised the issue with U.S. leaders like Vice President George Bush, "with the expectation that our views, and the views of a growing number of New Zealanders on the question of nuclear weapons in the Pacific, would be respected."

"I do not regard a flag flying visit of nuclear ships into the harbour of this city (Wellington) as respecting the views of New Zealanders on this question."

The 600 delegates gave his statement a foot stamping, clapping and cheering ovation. Mr Rowling warned if other nations do not respect New Zealand's wishes "then we will take such unilateral action as is necessary."

He rejected claims by both the United States and New Zealand's National Government that banning nuclear warships from New Zealand ports was incompatible with a revised Anzus defence pact.

CSO: 4220/607

UNITED STATES AID CONCEPTS TO THIRD WORLD DENOUNCED

Lahore VIEWPOINT in English 13 May 82 p 6

[Text]

DEFINING its future aid policy, the Reagan Administration has issued new guidelines which state bluntly that henceforth US aid will be tied directly to the pursuit of America's strategic interests. The full text of the document prepared by the State Department has not yet been released officially, but the restricted circulation allowed has permitted informed publicists to analyse its basic features and its possible consequences. Assessing the change, one US diplomat has said that "the new policy sets out an explicit rationale for spending aid money as a lever for advancing US defence policy", and concludes that "it was the death knell of the liberal notions from the 1960s about world economic development as an end in itself".

Since his assumption of office, President Reagan has been responsible for limiting aid to the Third World and international agencies responsible for development in countries suffering from acute food shortages and economic stagnation. Increasingly, US aid has concentrated on what is called security assistance. It is argued, without any real explanation, that military hardware will be more useful for stability

than more aid to balance the budget, feed more people, or modernise the economy. The new policy declaration will, therefore, cause no great surprise.

The United States embassies and aid agencies have been given a new order of priorities. The directive lists eight possible justifications for extending financial help. The top category is that of countries where aid can directly advance US strategic aims or where the United States can obtain military facilities. It is said, with a strange disregard for realities, that military aid, not economic assistance, has a better chance of maintaining stability in areas where America has a stake. Therefore, US aid will now have direct political and often military purposes. For example, what is called restoring "the strategic focus" to assistance programmes will mean that on the top of the list of recipients will be countries like Israel and Egypt or El Salvador. The second highest category covers what are described as friendly countries that are ready to offer military facilities, as for example Oman, Somalia, Kenya, and, some US policy-makers hope, Pakistan. Then come countries

whose political institutions are said to be under threat from outside Powers or whose governments are engaged in a struggle against what, in the State Department book, is described as communist-backed terrorism. Another theme of the new aid plan is to help stabilise countries that are prepared to join the campaign against the spread of Soviet influence and are willing to extend opportunities for US business to expand its activities and influence in foreign markets. The very last item on the list refers to grant of aid in terms of international solidarity for the broad purpose of general economic growth with a view to improving living conditions for the people.

The new aid policy crystallises the attitudes manifested by the Reagan Administration in its recent decisions and the advice often given by the President himself that the poorer countries must not expect the richer industrialist States to continue to help them, and that they should try to learn about the blessings of free enterprise and open their doors wide to foreign investment. That no country acting on such advice has succeeded in overcoming its problem does not seem to concern US theorists. Reaganomics, in the opinion of many American economists, pro-

mises chaos for the US economy—which has already registered the largest rate of unemployment in forty years—, but whatever its results at home for the rest of the world, and particularly the developing countries, the possible consequences can only lead to unmitigated disaster. This also means that whatever scant hope remained that resumption of the North-South dialogue may lead to the first hesitant step towards a new international economic order will vanish. More important, the short list of countries qualifying as recipients of US largesse will have to think again about accepting the US aid in view of the conditions laid down. If every recipient must become an active partner in serving US strategic interests—which embrace, for example, the protection and maintenance of Israel and backing it in its vandalism and supporting its aggressive designs, and US plans for establishing hegemony over the Gulf area because of its oil resources, or keeping in power blood-thirsty dictatorship in Latin America—the countries concerned will necessarily be compelled to revise their policies and seek other means of developing their defence potential and buttressing their economies.

JAMAAT-I-ISLAMI CRITICIZED FOR PRO-WEST STAND

Lahore VIEWPOINT in English 13 May 82 p 11

[Text]

SINCE their wrath fell upon two dailies, the students' wing of the Jamaat is busy fighting a losing game—for battle it cannot be called.

Now, the Islami Jamiat-i-Talaba's thunder squads (as their toughs are now known in educational institutions) succeed in getting boys and girls out of the classrooms, since the already bullied teachers sit in their staff rooms, or find it safer to let the students go their way without trouble.

The latest attempt by them is trying out joint students-labour protest rallies, and if the Jamaat's Punjab

Secretary is to be believed newspapers publishing 'obscene material' will not be guaranteed safety (his latest statement said so).

The Islami jamiat-i-Talaba, Punjab office-bearers, on the other hand have warned the authorities that their 'patience' in not marching on should not be misconstrued as any kind of weakness, for they have been assured of being joined by workers, teachers, lawyers and some other sections of the public. One wonders why they have not mentioned a section of journalists as well, which in their camp were also quite reluctant since the criminal assault on newspaper offices.

CSO: 4220/645

IJT'S TACTICS DENOUNCED

Lahore VIEWPOINT in English 13 May 82 p 11

[Article by Hussain Naqi]

[Text]

FEW of us were aware that Mian Tufail Mohammad's recent jaunts to a particular set of Islamic countries would include a call on Egyptian President Hosni Mubarak, to congratulate him on the success of the Camp David Accord.

As the leader of a highly centralised organisation, the Jamaat-i-Islami, Mian Tufail must have taken his party's *shoora* in confidence before going to Egypt, in order to compliment the Egyptian President on a so-called accord which has been opposed not only by Arabs, but also by the Organisation of the Islamic Conference and even pro-West and pro-U.S. Rabita-i-Alam-i-Islami.

The Camp David Accord brought recognition for the Zionist entity from Egypt and more violent persecution of the Palestinians, both within and outside the lands occupied by the racist Zionists.

Positive violation

It is also worth noting that Mian Tufail's Jamaat not only behaved in a manner contrary to public opinion in the Muslim world, but also violated the publicly-held official position on

the Camp David Accord. As such it cannot be believed that Jamaat sacrificed its position to obtain the release of a couple of hundred *akhwans* in prison since the late Anwar Sadaat's days. It was, in fact, in keeping with its pro-U.S. stance, which was being covered up under one pretext or another.

Now it appears, this group of so-called Islamic ideologists, which has definite links with similar pro-U.S. and pro-West organisations working under religious cover, were ready to come out in open support on an unprincipled compromise on the Palestinian people's basic right of freedom of self-determination. As for the Pakistani people, this is not the only or the first instance of Jamaat taking a position opposed to their basic postulates.

On the Palestinian issue Pakistan's position has been clear since its inception, and the Quaid-i-Azam had, even before the inception of Pakistan, made this enunciation. The people of Pakistan, therefore, will always uphold the cause of Palestinian sovereignty over Palestinian territory.

All machinations to the contrary will only alienate those conniving against the Palestinian people's cause.

PAKISTAN-INDIA NO-WAR PACT DIALOGUE, RELATIONS ANALYZED

New Delhi INDIA TODAY in English 15 May 82 pp 54-62

[Article by Suman Dubey]

[Text]

FOR A diplomatic pantomime that has, for three decades, yielded few punch lines, the latest tableau between India and Pakistan over a no-war pact was a familiar scenario to the vast audience on both sides of the border. The script, the lines, the actors, the props and the setting had echoes of past history. The surprise lay in the ease and rapidity with which the impromptu script of the pact disintegrated amid a cacophony of recriminations from both protagonists. The tragedy lay in the fact that, at a time when both countries are on an extravagant arms-buying spree, a no-war pact could have been the most significant breakthrough in Indo-Pakistan relations in a decade. The irony lay in the fact that the 10th anniversary of the historic Simla Agreement, the last conclave which brought peace for the subcontinent, is just around the corner in July.

Yet, if last fortnight's events were any indication, the last thing on the minds of the cast was the tentative dialogue on the pact. Mrs Indira Gandhi was closeted with Riyadh's white-robed rulers convincing them that India harboured no ill designs on its neighbours. Pakistan's new Foreign Minister, Sahabzadah Yakub Khan was wooing the Chinese leadership in Beijing at a time when relations between Beijing and New Delhi are finally at thawing point.

His Indian counterpart, P.V. Narasimha Rao, was nibbling noodles in Japan and dangling some hooks of his own for closer ties between the two Asian giants. And Zia himself, the most controversial member of the subcontinent's diplomatic quartet, was rewriting the history of Kashmir when

he told veteran journalist Kuldip Nayar in Islamabad that the three northern districts of that disputed territory, Gilgit, Hunza and Skardu, were an inalienable part of Pakistan (*see interview*).

Jaundiced Views: If this didn't seem to be an exercise in confidence building between two very suspicious neighbours, it was hardly out of keeping with the disposition of the lead performers involved. Indian and Pakistani policies towards one another are basically the handiwork of just two people,

Mrs Gandhi and Zia, and neither has so far given much evidence of being able to rise above their jaundiced perceptions of one another and get down to doing serious business. Mrs Gandhi, ever suspicious of the military dictator in Zia, remains convinced that the General is bent upon undoing her painstaking handiwork which produced the epoch-making Simla Agreement. Zia, convinced that Mrs Gandhi remains an unremitting hawk on the subject of Pakistan, finds it just as hard to overcome his fear that she plans once again to dismember his country.

Thus, the General could hardly have chosen a worse moment last month to tell his Majlis-i-Shoora, a federal advisory council hand-picked by him to give the martial law regime a public face, that he was appointing three "observers" to the Majlis from the northern areas. "Why upset a status quo that even Pakistan has respected for 35 years?" queried a veteran Indian diplomat in Pakistan.

Nor did it help matters when it appeared clear that Islamabad was talking in two voices. Zia's remarks were an unexpected departure from his prepared text and

when he later confirmed his view to Nayar, Pakistani diplomats pleaded with Nayar to put Zia's "northern areas" remarks off the record. Had Zia asked him, Nayar says he would have complied; as it was, Nayar published the relevant extracts in his syndicated column. Later, in the course of a relaxed 90-minute interview with INDIA TODAY held over two sessions, Yakub Khan waived discussion on the northern areas question on the plea that he had to first answer the Indian Government "through proper channels" before talking to a newsman. No answers have yet materialised, but an official asserted that "it was not intended at any stage to throw into the fray another issue which might be considered contentious."

Clumsy Response: With that it was patently clear to even the most optimistic observer that the tentative Indo-Pakistan dialogue had degenerated from the sublime to the ridiculous. India didn't exactly cover itself with glory with its clumsy response to Pakistan's original offer. Indeed, had it persisted with its knee-jerk reaction that Zia was merely stealing an idea first proposed by Nehru in 1949, Indian officials would have effectively set the clock back one decade: the 1949 offer required international arbitration, a concept finally buried with the Simla Agreement.

It was bad enough when India's Bali Ram Bhagat and Pakistan's Agha Hilaly—who had smoothed the way for the Shahi-Rao parleys last January in a secret visit to Mrs Gandhi as a Zia emissary last year—should find themselves in a slanging match befitting fishmongers rather than diplomats at the Human Rights Commission in Geneva. It was worse when, piqued at Hilaly's comparison of Kashmir with Palestine and Namibia, India chose to postpone the talks indefinitely and Mrs Gandhi resumed her war-threat-from-Pakistan refrain.

Not to be outdone, Pakistan's foreign office unexpectedly went to town to protest at remarks attributed to departing Indian Ambassador Natwar Singh in which he allegedly belittled the two-nation theory and seemed to advise Pakistan to cut its armed forces by half.

The Pakistanis didn't take time out to find out that Singh had been misquoted and that the censored Pakistani press, which tends to depict its neighbour in less than flattering terms, declined to print corrections issued by the Indian Embassy. Observed Natwar Singh wryly: "Indo-Pakistan relations are accident prone. We have to keep applying diplomatic first aid."

Complex Exercise: Diplomatic hospitalisation was what the two countries appeared to need most last fortnight as they were back to their familiar roles of blowing hot and cold on well-worn issues. "The no-war pact is beginning to look like a squash ball that has been bounced off too many walls," wryly observed a Pakistani diplomat in Islamabad. Wrote Inder Malhotra in the *Times of India*: "The prolonged negotiations, stalled since the end of February, have degenerated into an essay in scoring debating points." The two were once again viewing each other through what Yakub Khan described as "some strange refracting medium that seems to distort our perceptions of one another".

In India this denouement seemed to confirm its worst doubts. Zia, never seen to be particularly trustworthy, simply seemed to confirm his archetypal image of a military ruler more interested in making propaganda to shore up his image at home and among his allies than in getting down to brass tacks. Did India really want to negotiate with a man who very clearly had no popular sanction and, in the process, perhaps unwittingly, prolong his undemocratic rule? Hadn't Zia told Indian journalists—for example, Rajendra Sareen of Public Opinion Trends (POT) on June 7, 1981—that the "Simla Agreement provided an adequate and comprehensive framework for the normalisation of Indo-Pakistan relations"? Why was he now so keen on a brand-new no-war pact which, as he had once told INDIA TODAY (February 16-29, 1980), was "not worth the paper" on which it was written?

If Zia was really so concerned with tension on his Afghan borders, why hadn't he moved even one military unit off the calm and undisturbed Indian border to keep the peace following the huge influx of 2.6 million

Afghan refugees or guard against military incursions from a regime Pakistan refused to acknowledge? Hadn't Mrs Gandhi's special emissary Sardar Swaran Singh, as long ago as late 1980, made it clear that India had no interest in creating difficulties for Pakistan and would look the other way if the troops manning the Indian border were thinned?

Above all, doubts came frothing to surface that Zia's position on Kashmir was hardening and that he was using the cover of the no-war pact negotiations to present India with a *fait accompli* of integrating the northern areas and tossing the dispute back into the international arena in spite of the Simla Agreement which describes it as an issue to be settled purely bilaterally. And, if Zia was making capital out of the negotiations, what guarantee was there that once he had a no-war pact under his belt he would not simply turn his back on everything else: the joint commissions, trade, cultural agreements, and the entire diplomatic paraphernalia that usually ties two neighbours trying to be friendly with one another.

Doubts can obviously be contagious, and some of these

ideas were also riding high in the minds of Pakistani diplomats who, watching the fragile Indo-Pakistan dialogue crack, were trying to read the pieces. In background briefings and formal interviews, officials in Islamabad's imposing foreign office spelt out what can only be described as the moderate line, in contrast with the harder positions outlined by Zia. The arguments are on one point, at least, unequivocal. Pakistan is feeling its way towards a new agreement that will commit the two countries to abjure force.

THE MAN who fields the formal questions in the foreign office, newcomer Yakub Khan, does so with a dexterity which belies his newness to the job but speaks eloquently of his 10 years as ambassador in some of the world's toughest capitals (INDIA TODAY, March 31, 1982).

Sitting in a period chair, a benign depiction of Pakistan's founder Mohammed Ali Jinnah gazing serenely from a wood-panelled wall, the nattily dressed Yakub Khan gesticulates agitatedly with carefully manicured hands as he strikes a conciliatory note from the start. His first remarks on Pakistani soil on replacing Agha Shahi were to outline the importance of India in his scheme of things. The collapsed dialogue over the no-war pact is his first, abrupt test.

"The no-war pact endorses and reaffirms the position stated in the Simla Agreement," he says in carefully measured tones, feeling his way with care. "It is obviously a desirable end to pursue at a time when tensions and suspicions in our region have reached a high point." Asked why there is any need to duplicate the Simla Agreement at all, Yakub Khan bounces back more quickly, "What, the question could be asked, what would be the disadvantage of signing such a pact even if it is a reinforcement of a position that already exists? I find it difficult to understand what the reasons could be for being suspicious, for regarding such a suggestion with suspicion."

Yakub Khan agrees that a no-war pact without progress on other fronts—travel, cultural exchanges, trade—would be a futile aim. "In fact, as you know, the joint commissions would be tackling just that. What we would not like to see happen is a substitution of the no-war pact by merely the joint commissions. We think the two should complement each other. In fact, our position is that the signing of such a pact would create conditions which would be more comprehensive and deeper on other fronts by dispelling, dissipating the clouds of suspicion which at the moment seem to haunt certain quarters."

Strategic Connection: Still, he is not yet prepared to take up Mrs Gandhi's offer of a friendship treaty. Mrs Gandhi, says Yakub Khan, brought up the idea of a friendship treaty informally with Pakistani journalists visiting India. "Next day we were told officially—that Mrs Gandhi had mentioned this idea only because a Pakistani journalist had referred to the Indo-Soviet treaty. As you know, the Indo-Soviet treaty has military clauses reflecting a strategic connection between the signatories. Indo-Pakistan relations have a different context. A non-aggression treaty could be given a number of titles which can be discussed. The substance of an agreement is much more important than its name."

It was significant that, as the fortnight drew to a close, it was Yakub Khan, a man who forsook a promising military career rather than accept what he saw to be his country's wrong policies in erstwhile East Pakistan in 1971, should have taken the initiative to try and resume the dialogue. Pakistani officials gave the impression that while they did not want to seem to be over-

anxious or over-zealous, they were keen to see the no-war pact through. "The ball is in Delhi's court," said one. Yet, only days later Yakub Khan had written to Narasimha Rao saying that he wanted to continue with the talks on the basis of the February 1 communique issued after the first round of talks, an initiative which saved India from having to find an opportune excuse to resume the dialogue.

There are good reasons for Pakistan's persistence. The strategic view from Islamabad is far from reassuring. To the far west, Iran's Islamic revolution has apparently stabilised but with Ayatollah Khomeini's regime far from secure, and the superpowers hardly reconciled to its peaceful existence, the country remains in an unpredictable limbo. Across the border in Afghanistan the presence of Soviet troops is far from reassuring even though a political settlement with the Babrak Karmal regime could be had for the asking and the Soviets are unlikely deliberately to provoke a greater sense of insecurity in Pakistan. Yet, the gnawing fears persist: people close to the martial law regime speak of the Soviets training legions of young tribesmen from among the Pathans and Baluchis for possible subversion of the country's sensitive western tribal reaches.

Sensitive Border: "All of a sudden, our entire western border has come alive," says retired brigadier Noor Hussain, director of the nine-year-old Institute for Strategic Studies. "If that doesn't shake the policy makers in the Indo-Gangetic plain, then I don't know what will. What you don't seem to realise is that the Soviets are in the traditional security zone of the subcontinent, yet the same psyche seems to be at work as when the invaders of the past came through the Khyber Pass."

And, from the verdant avenues of Pakistan's tidy capital—which one journalist says consists of bores, bureaucrats and boulevards—the view towards India isn't particularly reassuring either. After two wars, each of which paved the way for the dismissal of a military regime, Zia knows that he has neither the military muscle nor the industrial might to wage war with India. The F-16s notwithstanding, Pakistan's overall punch—military and economic—would eventually be no better than a temporary lurch in comparison with the weight of India's military and economic might.

Even though in strictly military terms there is rough parity on the long Indo-Pakistan border, nobody is in any doubt in Pakistan that if a war did not fortuitously end in a stalemate it would be a disaster. "We can't afford a war," says Tahir Ayub, a son of Field Marshal Ayub Khan. "It will be total ruination." Even a Zia opponent such as Sherbaz Khan Mazari, leader of the Baluchistan-based National Democratic Party is explicit: "Zia wouldn't be foolish to launch a war. Past experience teaches that that would be the end of his rule."

Changed Policy: Pakistan's ally, the United States, is likely to look askance at any war-like adventure the Zia Government might have in mind. There is reason to believe that the Reagan Administration has travelled some way from the time when it wholeheartedly embraced the Fukuyama report (INDIA TODAY, September 1-15, 1981) and embarked on its single-minded pursuit of strategic overkill along Soviet frontiers. Speak-

ing at Karachi's Institute of Foreign Relations, a recognised public platform for diplomatic statements, US Ambassador to Pakistan Ronald I. Spiers corrected an earlier policy statement last fortnight when he told a high-level Pakistani audience that "American weapons are supplied for use only in self-defence".

Earlier, Spiers had been quoted by a Karachi daily as saying that the United States imposed no conditions on the use of arms it supplied. Though American assurances on this score have in the past been hardly worth the paper on which they were written, Spiers did go on to say, "We are confident they would not be used for aggression in any direction, and we do not believe that Pakistan intends to attack India or that India intends to attack Pakistan." Debunking a popularly held myth in Pakistan, Spiers, undoubtedly aware of Mrs Gandhi's proposed visit to Washington, said that though India and Pakistan had their differences, "We do not believe that it is anybody's (meaning Soviet) proxy."

IN FACT, the US interest at the moment seems to be to bolster the morale and muscle of the martial law regime so that it can play a more useful role in the Gulf, an area of prime strategic interest in Washington, if it is called upon to do so. Writes Girilal Jain, "Pertinent for us is the fact that the Americans appear to have concluded that Pakistan needs assurance of security on its eastern borders in order to be able to play any worthwhile role in the Gulf." Some two million Pakistanis already work in the Gulf,

sending home \$3 billion a year—a sum in no mean way responsible for the relative prosperity in Pakistan, and for shoring up its import-oriented, deficit economy—not to mention the Baluchis who fight for the Oman army, the Pakistani pilots who fly fighters with an Arab flag, and the division stationed in Baluchistan for contingencies beyond Pakistan's borders.

Pakistan's alliance with the United States is far from universally welcome in Pakistan. The country's popular anti-US sentiment—expressed in a particularly ugly fashion when the US Embassy was attacked and set afire in November 1979—has been somewhat curbed by the Soviet thrust into Afghanistan. But there is resentment at the enormous influence Washington wields in Islamabad. "Pakistan foreclosed an independent policy on Afghanistan the minute we took arms from the US," complained a well known Pakistani journalist. The Pakistan People's Party (PPP), is even more forthright in its condemnation. "Zia is a stooge of Reagan," says one leader who has served time in jail. "As soon as we come to power we will recognise the Karmal regime. The Soviets are good neighbours for us."

Perhaps Zia was paying lip-service to these sentiments when he dropped his bombshell in the Majlis-i-Shoora last month, saying that the US had asked if it could station troops and military equipment in Pakistan for contingency requirements. Hurried consultations with the Americans later produced the somewhat less than convincing explanation that "certain visitors and other persons who did not represent the US Administration" had suggested US bases in Pakistan while the two countries were discussing the arms package.

Zia also seemed to realise that having bought himself an impressive package of arms, he would have to make more than a token declaration to smooth feathers ruffled by his action. It was no coincidence that the first talk of a no-war pact came in the concluding paragraphs of a press release announcing the US-Pakistan arms deal—hardly the place for a major, genuine diplomatic initiative. The Soviets, now a close northern neighbour, were hardly likely to view his new military toys with any more favour than India—or even the Gulf countries who can hardly be expected to rely on Pakistan if it can't clear the decks with India. It was not for nothing that Mrs Gandhi's highly successful Saudi visit was viewed with alarm in Pakistan.

Popular Support: More than any of this, the most powerful impulse that has kept the Zia Government on the track of the no-war pact is the vast popular support for it. "I am amazed," says a scholar of diplomacy. "In India you have open minds about everything but in regard to Pakistan you don't frequently draw the right conclusions. You don't see the full significance of a government like this one offering India a no-war pact. Even the opposition to this government and its enemies have not criticised it. My mind boggles that the penny hasn't dropped." Adds a renowned columnist: "Only a Punjabi general could have made this offer and not be accused of a sell-out."

Nothing is more palpable in the context of Indo-Pakistan relations than the disappointment that the two neighbours have made such scant progress towards the pact. The subtleties of diplomacy and the complexity of argument mean little in the face of the emotion that seems to have come to be invested in the three small words. "Does it represent caprice," asks the scholar tilting at India's suspicions of the no-war pact offer, "or the groundswell of a people wanting to bury the hatchet?"

There is no mistaking the widespread popular feeling. It runs like a thread of hope in formal interviews and random conversations alike. It is most potent among common people—shopkeepers, businessmen, white-collar workers, students, people with relatives and friends in India, and those who've never been there. Kashmir as an issue, crops up spontaneously by exception. Even those who speak stridently of Pakistan's own identity or their misgivings about India (*see box*) invariably qualify it by extending their hand, however tentatively. The popular mood is so far removed from the stereotype firmly lodged in Indian minds that it borders on the incredible.

The popular self-image of Pakistan has been transformed beyond recognition. There is no more talk of one Pakistani soldier being equal to three Indian jawans, or a 1,000-year war, or even of avenging the humiliation of 1971. In its place there is an acute consciousness of how much smaller Pakistan is than India, how unequal, suddenly, has become the power balance in the region. What seems to have clinched the change was Mrs Gandhi's re-election in January 1980, at about the same time that the Soviet forces crossed into Afghanistan. "We have not forgotten that the last time the security interests of India and the Soviet Union coincided, it meant the break-up of our country," says a dour politician in Karachi. The unspoken fear is that the same thing might happen again.

Uneasy Views: The anxiety about India's intentions peppers conversations with all sorts of people. The occasional politician will argue that there is no threat from India, but enough publicity is usually given to India's arms purchases—exactly like the wide dissemination in India of Pakistan's arms purchases—to make people feel uneasy. Last fortnight, India's contract to buy Mirage fighters from France was emblazoned in all papers. Strangely echoing the suspicion voiced in India, an opposition leader asked, "Pakistan is no longer a challenge to India, but we fear who is India buying its arms against."

Yet, evident as it is, popular Pakistani preoccupation with India is increasingly getting overshadowed by the apparent discontent with the military regime. "I am 100 per cent sure India won't come to Pakistan," says a PPP functionary. "The Simla Agreement is very clear about war. The issue is elections. I feel the integrity of my country is in doubt if people's representation isn't given." In a country where the armed forces have traditionally been held in high esteem, the open criticism of the army's domination comes as a surprise.

According to recent regulations, 20 per cent of civilian government jobs have been reserved for the armed forces—10 per cent each for serving and retired people. Last fortnight the Government told the Majlis-i-Shoorā that of 42 Pakistani ambassadors abroad, 17 were from the armed forces. There is resentment that army officers are finding their way into universities, as secretaries in government ministries, and at the top of such key government corporations as Pakistan International Airlines, the state-run oil and gas concern and the Water and Power Development Authority.

Fragmented Threat: Muted though it is, criticism of the martial law regime is commonplace. Charges of corruption abound. Not that Zia faces any particular threat to his regime. The opposition parties, about a dozen of them, are fragmented and the Movement for the Restoration of

Democracy (MRD) is moribund. In recent weeks the leaders of the opposition groups have again been meeting clandestinely even as Zia has cracked down on dissenters (INDIA TODAY, April 30, 1982). But till the opposition parties find a resurgent leadership to capture the nation's imagination like Benazir Bhutto, who has been incarcerated in jail and in house arrest for quite some time now, or popular issues on which to throw down the gauntlet, the challenge will remain subdued.

Zia knows as much. Last fortnight, he told the Lahore Chambers of Commerce and Industry that martial law

would continue a "reasonably good time" and elections would be held when the country achieves political, economic and social stability. For the moment, at least, that put the lid on any expectations that the General, who has twice gone back on his word to hold elections, might have a change of heart.

Chafing at the martial law chain that surrounds them, the political parties nevertheless are mostly solid in their support of the no-war pact. On the far right, Gafoor Ahmed, chief of the Jamait-e-Islami, a well-organised cadre-based party which is said to have a tight code of discipline, says, "I'm in favour of it. The bifurcation of the country was not meant to bifurcate hearts for ever." A middle-of-the-road grouping like the National Democratic Party is more concerned with internal problems than with Pakistan's tussles with India. "I think the no-war pact is necessary," says Mazari, adding the rider: "An elected government will have to ratify the pact."

Refusal: There is, however, a divergent political stream which takes a different course. "India cannot afford to negotiate with a military regime. It must wait for a democratic alternative to take office," asserts Maulana Shah Ahmed Noorani, president of the Jamait Ulema-i-Pakistan, an Islamic Sind-based party. "If something is done by the military government, the elected government would change it. The military government is not an elected government. We will not take responsibility for any pact signed by a non-elected government."

The PPP, riding a groundswell of popularity sustained by the memory of Zulfikar Ali Bhutto and, ironically enough, the military government's persecution of his widow Nusrat and daughter Benazir, emphatically insists that the Simla Agreement is an effective enough deterrent for a war between the two countries. "Zia wants to push the Simla Agreement aside and replace it with one of his own making," says a Bhutto loyalist.

But however discordant the political chorus seems, ultimately, a no-war pact stripped of its hyperbole content, is as complex and paradoxical as relations between the two countries have been all these years. No leader or diplomat worth his or her salt would link a no-war pact with a mutual

lowering of military guard. Similarly, Indian negotiators, present or future, will hardly settle for just a no-war pact. The basic aim, in Indian eyes, is a friendship treaty erected on the foundations of the joint commissions.

Opportune Moment: Yet this is precisely where the paradox lies. For the first time since partition, popular opinion in Pakistan and in India strongly favours a rapprochement. At no other time in the history of the two neighbours has the atmosphere for friendship and mutual goodwill been more opportune. The ball, however, is not in Pakistan's court, as Indian leaders insist, but in India's, merely by virtue of its pre-eminent position, its vast size and population and its more powerful international clout.

It is clearly time for statesmanship. If Anwar Sadat could bell the Israeli cat is there any reason why, with much less to lose, Mrs Gandhi cannot write another chapter into the sorry tale of Indo-Pakistan relations to match the achievement of the Simla Agreement? Any reconciliatory gesture will carry more weight and credibility if it emanates from the big brother. It will be viewed as an act befitting a regional power, perhaps paving the way for the ultimate goal of reducing military arsenals being stockpiled on both sides of the border. The alternative would be a mockery of diplomacy.

LETTER CRITICIZES TOURISM POLICY AND FALSE HOPES

Lahore VIEWPOINT in English 13 May 82 p 3

[Text]

I AM sorry, but when I see special issues (I *never* go through them) on tourism, I really want to cry.

Tourism doesn't work like this — that's why I liked U NO WHO this week (May 6). I can see the white spots, of course, where the scissors went to work. All the same, he made his point.

I would like to ask one question, one question alone, of the ladies and gents who try to push and glamorise Pakistan as a land likely to be placed on the tourists' map as a *must* — What do YOU want when you travel?

Whatever the answer, we must face up to the fact that much of it we can't offer, and the beauties and the

attractions, and so on, which we do go on about, are fast falling into disrepair and neglect—through indifference. You simply can't take a safe bet on the glorious valleys and mountains—you find them all over the world —with all the pluses we can't offer.

I believe that if you can create a vital *national* tourist traffic, offering your own people all their beauties and treasures in an air of being well-looked after, with pride, with true historical perspective, with cheap comfortable travel, you will have travelled at least part of the way. This cant of laying our bets on foreign exchange really should stop now.—*REALIST, Lahore*

CSO: 4220/645

ZIA SUPPORTS ROLE FOR ARMY

Lahore VIEWPOINT in English 13 May 82 p 13

[Text]

ELABORATING on his earlier themes of "Islamic democracy" and "elections on non-party basis", the CMLA-President, General Muhammad Ziaul Haq, has declared that in the future political setup, the Army will have a permanent role to prevent frequent recourse to martial law.

Talking to newsmen in Multan on May 6, Gen. Ziaul Haq explained that a "higher command council" comprising the Prime Minister, Defence Minister and the three service chiefs would be set up "to avoid conflicting decisions regarding the country's foreign and domestic problems".

However, the CMLA-President reiterated that general elections would be held only when he (Gen. Zia) was sure that they would lead to "positive results".

Always in picture

Explaining why he favoured a permanent role for the army in politics, Gen. Zia said that by virtue of the importance of the armed forces in the defence of the country it was imperative that they were kept in the picture regarding all national and international issues facing the country.

The armed forces, being the country's only "well-organised" and "well-disciplined" institution, could play an "effective" and "constructive" role in the administration of the country, the General declared.

The armed forces, he insisted, must be involved in the affairs of the country so as "to avoid any crisis in the future and to lead the country to progress, stability by defending not only our frontiers but also our Islamic ideology on the basis of which Pakistan had come into being".

Observing that all the constitutions in the country (of 1956, 1962 and 1973) had failed "to meet our needs", Gen. Zia said that Pakistan being an Islamic State needed no constitution since "we have to seek guidance from the Holy Quran and Sunnah".

Gen. Zia disclosed that the Advisory Committee for Islamic Ideology had submitted to him its report about the mode and system of elections in the light of Islamic principles. The Council, he said, had proposed that all candidates for election should fulfil "certain conditions" and only "true Muslims" would be allowed to contest.

"I have certain ideas in my mind and my colleagues have also their own thinking and we are all working on a formula and a legal framework order under which elections will held", Gen. Zia further disclosed.

On Saturday, Gen. Zia, while talking to newsmen in Rawalpindi, further elaborated his proposal regarding elections on non-party basis. He was of the view that the election could not be held with 78 political parties in the

country. However, he said, he had just given an idea and no final decision had been taken in this regard.

Gen. Zia said that once he was assured that the number of political parties could be reduced to one or two, then he would prepare to lift the restrictions from political activities.

The same day, Pir Sahib of Pagara, said in Lahore that his party would take part in elections even on non-party basis. He, however, said that this would be under "protest" as his party believed in free functioning of political parties.

Not for restrictions

Replying to question, he said the Muslim League could not agree to recommendations of the Council of Islamic Ideology for imposing restrictions on candidates for contesting elections. He said that all voters had the right to contest elections and there should not be restrictions of age, qualifications or observance of religious rituals.

Non-party elections would neither suit the nation, nor the armed forces the Pir said. He opposed Gen. Zia's suggestion for "active role" for the armed forces.

CSO: 4220/645

'BLACK DAY' OBSERVATIONS REPORTED

Lahore VIEWPOINT in English 13 May 82 p 13

[Text]

THE Islami Jamiat-i-Talaba observed a 'black day' on Friday in protest against the arrest of some of their members in the wake of attack on two newspaper offices in Lahore last month.

According to a Press release of the Jamiat, hundreds of students in various colleges, the University of the Punjab and the Engineering University participated in the 'black day' and demanded immediate release of all the arrested students. A number of labour leaders, belonging to the defunct Jamaat-i-Islami, also attended the protest rallies, the Press release added.

**Threat to launch
campaign**

The Jamiat leaders, including Amirul Azam, Hafiz Suleman Butt, Saeed Saleemi, Ashfaq Mehr and Tayyab Shaheen, addressed the protest meetings at various campuses and warned the Government to release all the arrested students within a week or they would be compelled to launch a country-wide movement.

Amirul Azam said that the Jamiat had so restricted its campaign to "peaceful demonstrations", but the Government should not take it as our weakness. "If we are forced to come out, we can release our friends within hours", he added.

Saeed Saleemi said that the Jamiat was "peaceful" because of its Amir's orders, but if it was allowed to accountability of those who had committed

violence on students then "the nation will see how powerful the Jamiat really is". He alleged that Pir Sahib Pagara had provided arms to the Quaid-i-Azam students Federation in the Engineering University.

Nobody will stop us

Hafiz Suleman told the students that the Jamiat was powerful enough to get released all its members. "If the Government will not pay attention to our demand, we will be forced to come on the streets and at that time nobody could be able to stop us", he added.

The speakers said that the Jamiat's fight was against "yellow journalism" in the country and the Government, instead of supporting it, had taken "ruthless actions" against "innocent" students.

**Mian Tufail
also warns**

Earlier, the Amir of the defunct Jamaat-i-Islami, Mian Tufail Mohammad, who recently returned from a foreign trip, strongly criticised the Government for arresting Jamiat students. He said that when a compromise had been reached between the newspapers and the Jamiat, there was no justification for keeping the students, in jail.

Meantime, on Saturday, the Summary Military Court No. 2 sentenced four students of the F.C. College to one year's R.I. and a fine of Rs. 10,000 to Rs. 15,000 each.

**Only 26 are
in Jail**

That day, about fifteen students of Engineering University, belonging to the Jamiat, were released from the Camp Jail. There are now only 26 Jamiat students in the Kot Lakhpat Jail. They have been sentenced by military courts. All others arrested have already been released.

CSO: 4220/645

CORRUPTION IN CEMENT MARKETING CRITICIZED

Lahore VIEWPOINT in English 13 May 82 p 15

[Text]

AS THE "construction season" gets into full swing, the prices of building material have started soaring and artificial scarcity, particularly of cement, has been created. There is a flourishing black market in cement as also adulteration. It has been estimated that the prices of construction material have gone up by about 20 to 30 per cent in the last four or five weeks and a further increase is feared.

Good quality bricks which were selling at even less than Rs. 400 per thousand are not available for less than Rs. 500. Similarly, the price of crushed stone was Rs. 6 per one square foot a month ago but it is now selling at Rs. 8 to Rs. 9.

Most serious problem

The most serious problem is, of course, cement. The State Cement Corporation has officially acknowledged that it is being adulterated and that the stuff is in short supply. Retailers have alleged that the stockists are exploiting the situation because the SCC has failed to evolve a balanced distribution and supply policy.

According to retailers, Lahore had been flooded with cement due to

heavy imports and people had no problem in purchasing it from anywhere and according to their requirements more or less at the price fixed by the Corporation. In winter, cement was available at a price even lower than the fixed one. Up to the end of March, the position was the same. But in April, cement began disappearing and the price per bag rose from Rs. 65 to Rs. 75 in a matter of days.

"Centre of corruption"

Retailers charge that the railway godowns on G.T. Road are the "centre of corruption", where agents of stockists posing as retailers make bulk purchases at somewhat higher prices. The other method is that such people induce stockists into sharing the profit thus accruing and the latter usually agree in order to save themselves the bother of selling it to people at their own places. Another trick: at least five kilograms of cement are pilfered from each bag and extra bags are filled and sold at anything between Rs. 80 to Rs. 85.

Yet another method of making money at the expense of the consumer is to add stone powder to the extent of 30 per cent to make 100 bags into 130. The more enterprising resort to shortselling as well as adulteration.

COMMERCIALIZING EARLY EDUCATION ATTACKED

Lahore VIEWPOINT in English 13 May 82 p 4

[Text]

LAHORE is traditionally known as the city of schools and colleges but the situation has never been as 'sanguine' as it is now. Passing through narrow streets or busy thoroughfares one can see all sorts of odd-named schools. And as an additional attraction there is always inscribed significantly the words "English medium". We speak and eologise Urdu but in fact we all wish, in fact love, to hear our children speak in English. In principle, we uphold that Urdu should be the medium of instruction but in practice we haven't been able to rid ourselves of the European-standard complex.

It is there, reigning supreme in the inner lanes of the walled city or in other areas like Shadman, Shah Jamal, New Garden Town, Model Town and, of course, Gulberg.

Higher education in our country is the cheapest thing available, whereas initial education is forbiddingly expen-

sive. This unruly growth of schools, of doubtful standards, have all the more, made initial education something unapproachable for a family of moderate means. They charge exorbitant fees, not to mention fees they extract in the name of Meena Bazaars or annual funds, etc. Uniforms, bags, books, all must be bought from the "recommended" shops. See a small child of five or six years carrying books to school. The massive weight of the bag is out of all proportion to his bodily strength. The constant weight makes him dislike his books. Organisers of newly-opened schools more often than not employ teachers who are prepared to work for the lowest salary. Teachers are exploited, while they in their turn take vengeance on the children. . . . We have made education a commercial enterprise A child in such schools is not a serious responsibility but a lifeless commodity to be exploited.—RAI NAZAR HAYAT, Lahore.

CSO: 4220/645

ABDUL GHAFAR KHAN'S PLEA FOR SANITY

Lahore VIEWPOINT in English 13 May 82 p 15

[Text]

THE former Red Shirt leader, Khan Abdul Ghaffar Khan, has said that tension between the United States of America and the Soviet Union and danger of war in this region pose a threat to Pakistan and other countries of Asia.

Talking to newsmen at the Lady Reading Hospital, Bacha Khan expressed the apprehension that the present situation of confrontation between two super-Powers in this region could be more damaging for Pakistan than any other country of the region. The most unfortunate aspect of our history, Bacha Khan said, was the fact that despite 35 years of independence we were still discussing which system of government we wanted.

For what fault?

"I spent fifteen years in jail during the British Raj and that was understandable. But what surprises me most is that why I was kept in jails for seventeen years after independence. What was my fault? Was I imprisoned because I participated in the liberation struggle against the British?" Bacha Khan asked sadly.

It was the Khudai Khidmatgar Movement which had forced the British to leave the country and at that time the Muslim League had been playing the rulers' game, he added.

Bacha Khan said that ironically in Pakistan the people who fought for independence were labelled "traitors" and those who had joined hands with the British were honoured as "patriots".

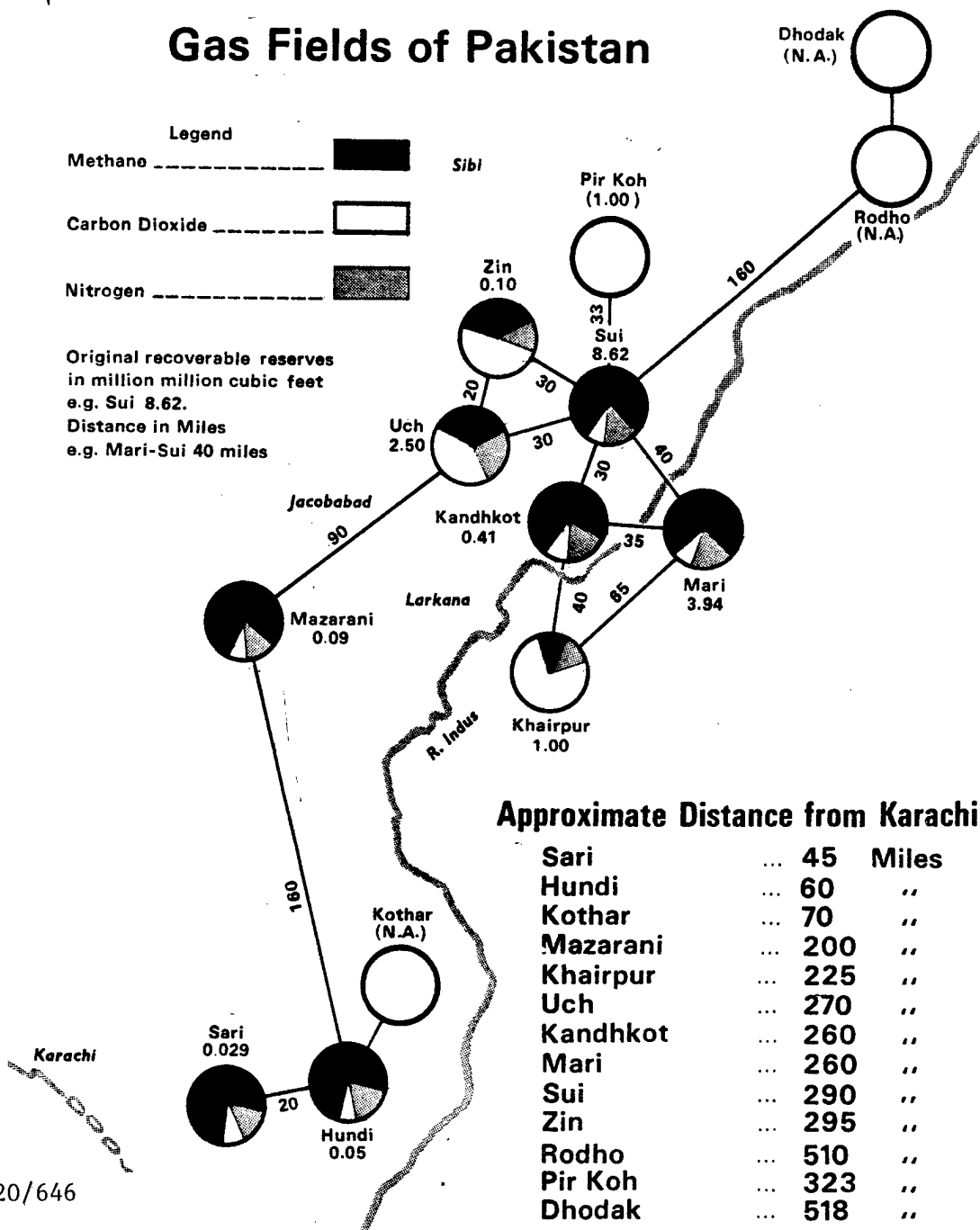
CSO: 4220/646

GAS FIELDS, DISTANCE FROM KARACHI

Karachi PROGRESS in English May 82 p 3

[Map

Gas Fields of Pakistan



CSO: 4220/646

GAS PRODUCTION FIGURES, FACTS STATED

Karachi PROGRESS in English May 82 pp 1, 8

[Text]

"PAKISTAN's requirements of commercial energy are met by gas, oil hydel power, coal, LPG and nuclear power. According to statistics compiled by the Government, the share of each in the energy mix is: natural gas (excluding that used as feed-stock in the fertiliser industry) 41.9 percent, Oil 36.3 percent, hydel power 16.0 percent, Coal 5.3 percent, LPG 0.3 percent and nuclear power 0.2 percent" (Sui gas 37 percent; associated gas and gas from Mari, Sari and Hundi less than 5 percent).

This was observed by Mr. H. M. Sohail, technical manager, PPL, at the Institute of Engineers, Karachi, on 5th April. The subject of the talk was Availability of Natural Gas in Pakistan.

Mr. Sohail thanked "the Institute of Engineers, and particularly its Vice President Engineer Zahid Ali for inviting me to talk to you this evening."

Before dealing with the subject he touched briefly on the energy scene presently obtaining in the country.

The share of natural gas in the total energy supply was 41.9 percent, but excluding imported oil and considering indigenous sources

alone the share of gas went up to 62 percent.

Pakistan's natural gas industry was born in the year 1952 when Pakistan Petroleum Ltd., discovered large reserves of natural gas at Sui. The field was brought on production in 1955 and after 27 years of production the field had now reached almost the optimum level of production. The speaker reiterated that production was increased to meet demand and the field, though only 30 per cent used up had reached the maximum level in 27 years. Production from the field was expected to remain at the current level for about 20 years before it begins to decline.

"According to one estimate the demand for gas over the next five years is expected to double. Therefore, the supply of gas from the existing producing fields will fall short of demand. The known reserves of gas are being developed but they too may not be enough to meet the demand."

It is therefore imperative to accelerate the pace of exploration activity in the country so that more reserves could be found. "Our salvation lies in discovering new reserves of gas. This

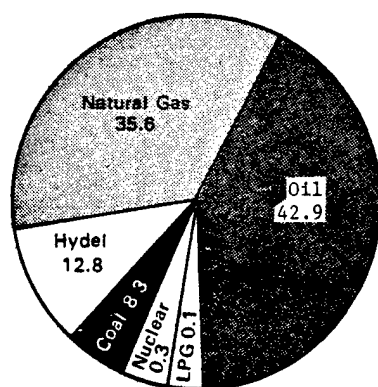
is not as difficult as it may appear to be and my suggestion would be that extensive seismic and geological surveys in the more promising areas should be conducted to locate possible gas bearing structures. More wells should then be drilled to increase the prospects of finding big reserves."

The discovery of natural gas at Sui and more importantly, its commercial utilisation at the end of 1955 resulted in a spurt of drilling activity. Seven more gas fields and a small oil pool were discovered in the fifties.

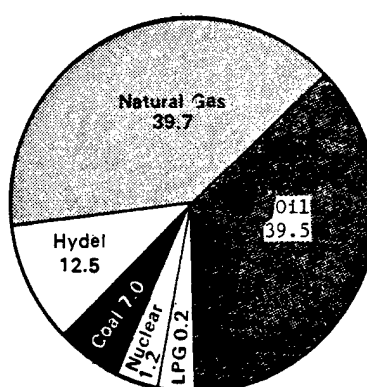
A sketch on Page 3 shows that six more gas fields were subsequently discovered, bringing the total to 13. Of these Sui and Mari and two smaller ones, Sari Sing and Hundi have been put on stream. Some associated gas is also produced from Meyal and Dhulian oil fields.

The total proven original recoverable reserves of natural gas are estimated at nearly 18 trillion cubic feet. Average daily production from the fields on stream at present stands at: Sui about 800 million cubic feet; Mari 115 MMCF; Sari-Hundi 7 MMCF; associated gas about 55

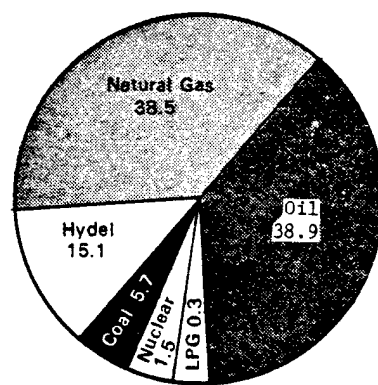
Pakistan's Energy Supply by Source and Percentage Share of Each Source (1971-72 to 1980-81)



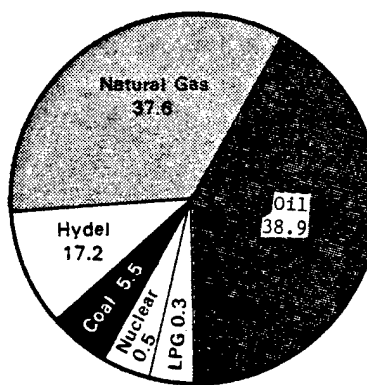
1971-72



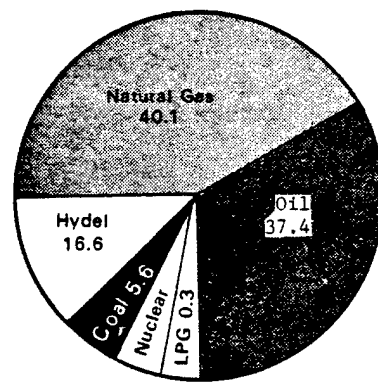
1973-74



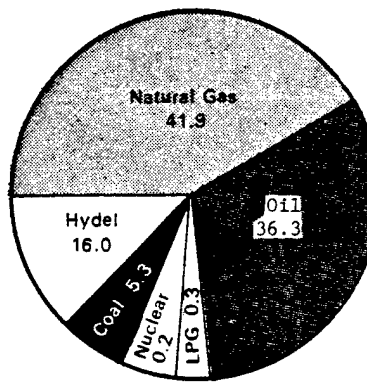
1975-76



1977-78



1979-80



1980-81

Note: Figure for 1980-81 are provisional. Contribution of nuclear power in the energy mix in 1979-1980 was negligible.

MMCF.

Two gas transmission systems emanate from Sui, one to the north right upto Peshawar and the other to the south upto Karachi. The southern system, owned and operated by Sui Gas Transmission Company, consists of two pipelines—the original 16" diameter 347 miles long pipeline on the left bank of the Indus and the second 18" diameter 305 miles long pipeline on the right bank. This second line passes through the Sari/Hundi gas fields which are hooked on to this system. The nominal capacity of the two pipelines with compressors installed on the first line is 270 MMCFD.

The two gas distribution companies KGC and IGC purchase gas from SGTC and sell it to their customers in Karachi and other areas of Sind.

The gas transmission and distribution system in areas north of Sui is owned and operated by Sui Northern Gas Pipelines. On its transmission system SNGPL also purchases the associated gas produced by Pakistan Oilfields from its Dhulian and Meyal oilfields. The transmission capacity of Sui Northern Pipelines stands at 415 MMCFD.

Raw Sui gas contains certain impurities— H_2S & CO_2 . These are removed at a purification plant owned by SNGPL and SGTC and operated by SGTC. Presently the gas purification plant has nine banks with a total gas processing capacity of 670 MMCFD.

Pakistan Petroleum Ltd., discoverer and producers of Sui gas field, sells gas at Sui to SGTC, SNGPL, and WAPDA. WAPDA purchases raw gas for their 439 MW thermal power station at Gudu.

Today almost all the industry in areas south of Sui to

Karachi and in the north upto Peshawar, Mardan, Charsadda, Takhtbai etc., is running on Sui gas.

Now to maintain production at the maximum production potential of the field not only will PPL have to drill additional wells but will also be required to install compression facilities over the next few years. This, according to rough initial estimates, should cost several hundred million dollars. On the basis of maximum production potential of the field at 880 MMCFD, PPL has committed to supply 290 MMCFD of purified gas to SGTC, 409 MMCFD of purified gas to SNGPL and 110 MMCFD of raw gas to WAPDA for Gudu Thermal Power Station.

Work is now underway to develop two dormant fields, Pirkoh and Dhodak. The former is being developed for gas and the latter for condensate production. Gas produced at Dhodak will probably be re-injected into the reservoir for maintaining pressure.

Pirkoh gas field, some 45 miles north of Sui gas field is being developed by OGDC with the assistance of the Asian Development Bank. The field is proposed to be integrated with SGTC's transmission system by laying an 18" diameter transmission pipeline between Pirkoh and Sui. This integration project will be dovetailed into the Indus Right Bank Pipeline (IRBP) Compression Project and will make available additional gas supplies for the southern part of the country. Initially 72 mmcf of gas will be available from Pirkoh in 1983.

The project for increasing the transmission capacity of the Sui-Karachi pipeline from the present 270 MMCFD to 397.5 MMCFD is also underway. This is being done by installing gas compressor sta-

tions on the mainline at Shikarpur and Dadu and a side stream booster compressor station at Sari/Hundi along the route of the 18" diameter Indus Right Bank Pipeline. The project is expected to be completed by end 1982 or early 1983.

For the supply of gas to Quetta and areas enroute a pipeline is being laid from the 18" diameter Indus Right Bank Pipeline (IRBP) transmission system from an offtake point about 44 miles downstream Sui.

This is an S.G.T.C. project and on its completion consumers of air mixed LPG at Quetta should be assured of a continuous energy supply from a more dependable source. The Quetta Pipeline Project is expected to be completed by 1983.

Another project, now being planned is a 14" diameter 35 miles long gas pipeline from an offtake point on SGTC's Indus Right Bank Pipeline right upto Lasbela for the supply of gas to Galadaris 2000 tonnes per day cement plant and other projects being set up in that area. The pipeline will have a free flow capacity of 44 mmcf.

The Sui Gas Transmission Company also plans to install standby gas purification facilities at the Sui Purification Plant and standby gas compression facilities at the company's existing gas compressor stations.

To sum up, in the larger interests of the country's economy and to meet future demands of gas the development of other gas fields should proceed along with the development of Pirkoh now underway. Effort should also be made to find new reserves of gas.

(Due to pressure on space a much abridged version of the talk is published here. A future issue will carry the full text.—Ed).

BRIEFS

HIGH COURT BAR'S DEMAND--Lahore, May 13--The Lahore High Court Bar Association has demanded the restoration of the 1973 Constitution to "ensure the rights of the people to be the final arbiters of their destiny." This demand was made at an emergency meeting of the Association held here today under the chairmanship of Mr Abid Hussain Minto, the president of the Association. [Text] [Karachi DAWN in English 14 May 82 p 22]

ZIA BREACHED ON BALUCHISTAN--Quetta, May 11--President General Mohammad Zia-ul-Haq was briefed about the development schemes in Baluchistan in Quetta this morning. He was informed with the help of maps and charts that under the provincial Annual Development Programme 2070 million rupees had been spent on more than 800 development schemes in the province during the last five years. The main sectors of development were Water, Power Irrigation, Agriculture, Communication, Health and Education, etc. In addition 3,650 million rupees had been spent during the same period on Federally financed projects in the province. The President expressed his satisfaction over the pace of development and directed to further accelerate the tempo of development.--APP. [Text] [Karachi MORNING NEWS in English 12 May 82 p 8]

COLLEGE TEACHERS' STRIKE CONTINUES--The professors and lecturers of the nationalised cadre in Sind; including Karachi; continued their indefinite strike for the 9th day yesterday in support of their demands. An emergency meeting of the Executive Committee of All Pakistan Lecturers-Professors Association is being held in Bahawalpur on May 15 to consider the President's appeal asking the teachers to call off their strike. While efforts are underway to bring to an end the deadlock; strike continued in all parts of the city. According to Sind Lecturers Association some positive development is expected to take place in next two days to resolve the crisis. [Text] [Karachi MORNING NEWS in English 14 May 82 p 1]

ARRESTED FOR OBJECTIONABLE HANDBILLS--The Arifwala Police have registered a case against a student of tenth class and his four "accomplices" under MLR 16. Zahid Munir and the others were charged with pasting anti-government handbills at the local college campus. Police registered the case on a report from the principal of the college, Mr Abdul Haq. [Text] [Lahore VIEWPOINT in English 13 May 82 p 16]

LEADERS' RELEASE DEMANDED--The first meeting of the newly-elected managing committee of the District Bar Association, Sukkur, has expressed its deep concern over the continuing detention of Miss Benazir Bhutto, Rasool Bux Palejo and Asghar Khan and demanded their immediate release. It also demanded the release of all political prisoners, students and trade union leaders. [Text] [Lahore VIEWPOINT in English 13 May 82 p 16]

CSO: 4220/646

TEAM TO NEGOTIATE FOR SAUDI LOAN

Manila PHILIPPINES DAILY EXPRESS in English 13 Apr 82 p 2

[Text]

A TOP-LEVEL government team will negotiate with Saudi Arabian officials for a P110-million loan to finance five training centers for Muslim workers.

Labor Minister Blas F. Ople said he and Economic Planning Minister Placido Mapa had been directed by President Marcos to continue negotiating with Saudi Arabia officials on the establishment of training centers in Zamboana City, Dipolog City, Marawi City, Cotabato City and Sulu.

THE PHILIPPINE government had sought financing of the training centers during the state visit of President Marcos last March in Saudi Arabia.

The Saudi government had approved in principle the proposal, Ople said.

The loan, to be funded from the Saudi Arabia Development Fund will carry minimal interest rate, he said.

Saudi Labor Minister H. Al-Ansari is expected to visit the Philippines in September and Ople, in turn, visit Saudi Arabia in October.

MEANWHILE, the administrator of the newly-formed Philippine Overseas Employment Administration,

Patricia Sto. Tomas, promised to have the contracts of workers going abroad processed in one day.

The POEA had absorbed the Overseas Employment and Development Board, Bureau of Employment Services and the National Seamen Board in the recent labor ministry's reorganization.

Sto. Tomas said the POEA will tap the hearing officers of the abolished BES and NSB to act on complaints of workers against illegal recruiters.

POWER STRUGGLE SEEN AFTER MARCOS

Cebu City VISAYAN HERALD in English 12 Apr 82 p 4

[Column by Danny M. Gonzales: "Power Struggle Seen"]

[Text] AS I POINTED out earlier, sooner or later, Pres. Marcos will have to go — out of the presidency. How? This all depends on the circumstances. All the possibilities are there. A coup d'etat could depose him. His health might deteriorate further making it too weak for him to dispose of his duties. Or he could die.

WATCHED WITH BATED BREATH

THUS, MR. MARCOS is being watched — with bated breath — by a lot of people: his enemies and friends, especially the pretenders to his throne. When will the Marcos reign over this country end? Everyone knows it will end. But not one is certain when the end will come and what is the nature of such an end. The next best thing to do, as most are now doing, is, to watch him, his political maneuvers — when he'll trip up; and his health — when he'll kick the bucket.

WHAT WILL FOLLOW

WITHOUT meaning any harm to him, assuming that Pres. Marcos will be out of

the top post of the land — what happens next? To those who are opposition-inclined in their sentiments, let me dis-thought that an opposition leader will, overnight, be the new leader to be installed immediately after Marcos bows out. Of the many opposition leaders in the country today, not one is that politically entrenched as to effect a quick takeover. As for the other strong opposition leaders — like Aquino and Manglapus — they are out of the country; their initial problem — after hearing the news of Marcos' fall — would even be how to get back into the country. When they do get back, it will be too late. Somebody else had taken over; and they will just have to do a little more waiting for the right timing — an opportune one, that is.

POWER PLAY

WHAT IS envisioned by a lot of people when Marcos is gone is nothing less than a power struggle among the big guns within his circle. Among

the names mentioned as likely to be involved, not necessarily in the order of their importance or influence, are Defense Minister Juan Ponce Enrile, Gen. Fabian Ver, the First Lady, Labor Secretary Blas Ople, Gen. Fidel Ramos, etc. How the struggle would come about, armed or otherwise, everyone has his own version of it.

A PROTRACTED ONE?

WILL THE power struggle be a protracted one? This all depends on how effective the strongest among the contenders is. If the forces of the contending parties are evenly matched, a prolonged conflict could take place — and it will then be some kind of a war of attrition that the peace-loving among us could only mourn over, assuming we survive the power carnage.

ANOTHER BLOW

WHAT WILL happen will be another blow to the country — economically and politically. Such a power struggle would derail the country's peace. And whatever semblance of peace is attained after it will be an uneasy one. For what assurance is there that no further trouble would erupt? So, business will be in doldrums. And the political instability that will prevail is one undesirable but inevitable reality that the Filipinos have to face and overcome.

A MIRACLE

HOWEVER, the religious among the people have not lost hope. They are still pray-

ing that a peaceful takeover would be effected. That some kind of political miracle would avert a power struggle that is bloody and glory. Big power is tempting. But the protagonists, being Filipinos and mostly Catholics, there is always that possibility that their greed for power would be subdued — that they would not go to the extent of grabbing it at all cost, acting like mice or wolves, but as true human beings made aware of the reality that power is not really everything.

PHILIPPINES

EDITORIAL: FREEDOM OF SPEECH THREATENED

Cebu City VISAYAN HERALD in English 14 Apr 82 p 4

[Text] A military official who has been allowed by President Marcos to retire has left behind him as one of his last official acts as Enforcer of Broadcast Media Association an order to close a popular radio commentary.

The order of Col. Jose Guillem to stop Lawyers Migs Enriquez and Vic Villordon from continuing with their commentaries on Radio DYLA was one act worthy of the condemnation of all freedom-loving Filipinos.

Not only is the attempt an act of muzzling the press but the act itself is a monumental blunder violative of the individual rights to free speech enshrined in our Constitution.

The order not only abrades the fundamental concept of due process but is a repression in its totality. What the commentators have merely done was to put acts of public officials before the acid test of criticisms testing whether their official acts could survive public standards of morality and expectations. But those who complain have realized the cutting edge of public contempt when even high echelons recognized the damage they have done to government image and good government. Hence, the counter-attacks and reprisals.

All these have utilized as instruments military power but in the process have crucified long-cherished values of freedom of speech.

Attempts have been made at control and suppression in many stations like DYRE, DYRB and others, and on many other commentators, the latest one in Negros where a commentator was banned for life, but these ugly inroads and assaults against freedom and individual rights must now be resisted at all cost.

The people of Cebu must rally behind the commentators and station DYLA on a common stand against the repression.

Otherwise, the Cebuanos whose image is that of a freedom fighter and freedom lover in the tradition of Lapulapu will be put to unmitigated shame and ignominy.

Will the Cebuanos allow this travesty?

CSO: 4220/613

RADIOMEN DEFY STOP-BROADCAST ORDER

Cebu City VISAYAN HERALD in English 14 Apr 82 pp 1, 2

[Article by Mike Yncino]

[Text] A local radio station has defied an order of the Kapisanan ng Mga Brodkaster ng Pilipinas (KBP) to stop the broadcast of programs hosted by lawyers Migs Enriquez and Vic Villordon, now known as "conscience of the airlines" here.

The KBP order was contained in a letter addressed to DYLA manager Monsignor Achilles Dakay who earlier sought clarification and specification of charges against the two radio commentators. The KBP Standards Authority thru its Director for enforcement Col. Jose G. Guillem cited violation of KBP broadcast guidelines by Enriquez and Villordon for allegedly challenging to a duel President Marcos and Col. Jesus

Hermosa, former Deputy Commander for Administration of the PC-INP in RECOM 7, for alleged irresponsible attacks on Atty. Adela Marcos San Ramon (a kin of the President), and BFD Regional Director Jose Gapas.

Reacting to the order ALU Vincontu titular head Democrito Mendoza reportedly told

the commentators that he would support them in their fight against the KBP stop-broadcast order. DYLA station manager Monsignor Achilles Dakay had earlier assured the two that he would not implement the order and fight to forestall it.

Enriquez and Villordon meanwhile continued to hold their programs at the said ra-

dio station defying the stop-broadcast order of the KBP.

In a related development, Cebu's mass media practitioners were today alarmed at the implications of the order. Al Alinsug, president of the powerful Cebu Tri-Media Association (CTMA) and publisher of the Visayan Herald disclosed that CTMA members and other media men in Cebu will rally behind the two beleaguered media men in their fight for press freedom. In a press statement Alinsug said:

"To say the least the order is whimsical and narrowminded. Col. Guillem does not realize the implications of his act. The order reflects the illusion that we are still in a state of martial law."

In condemning the repression, Alinsug continued:

"Such Hitleric repression stabs into human freedom and dignity and has no place in a civilized society. All mediamen worth their salt must stand solid to defend the cause of free speech. Enriquez and Villordon are incidents; their cause is our cause. All Cebu Tri-Media members are called to a meeting on Saturday to take up the issue. As a mediaman I personally condemn the act of Col. Guillem."

Enriquez and company have assailed the order as a blatant excuse to allegedly silence them from the airplanes because of their critical comments against powerful and corrupt government and military officials. They said that the move of the KBP is said to be a clear violation of the constitutional guarantees against press freedom.

Supporters of the crusading commentators had voiced their sympathy and support for them. Some callers during the program "Saksak Sinagol" have even hinted that violence may ensue if the order would be implemented as the people who support Enriquez and company might understand it as the start of a crackdown on militant critics of the administration.

In a letter to Monsignor Dakay, Enriquez said that the violations mentioned in the KBP order are entirely new and different from the charges mentioned in an earlier letter of Col. Guillem dated January 22, 1982, which specified only two violations.

Enriquez also said that the letter of Guillem dated March 27, 1982 is allegedly so worded as to contain findings or conclusions of law and facts, allegedly finding them guilty of the offenses charged. Moreover, Enriquez disclosed, that the concluding portion of the same letter from KBP imposes a penalty not only on him but also on Villordon who had allegedly never been previously notified of any charges against him.

As it is today, it looks like this would be an interesting test for the media men against an apparent clampdown on the militant press in Cebu.

CSO: 4220/613

SUPPORT FOR RADIOMEN'S DEFIANCE

Cebu City VISAYAN HERALD in English 15 Apr 82 p 1

[Excerpt] A high official of the Integrated Bar of the Philippines (IBP), Cebu Chapter, has expressed condemnation of the act of Col. Jose Guillem, Enforcer of Broadcast Media Council, of ordering the stopping from broadcast of two radio commentators of a local radio station here.

is the act of "minions of the government which try to embarrass the President."

Lawyer Bernardito A. Florido, President of the IBP-Cebu, has branded the closure order poised against Lawyers Migs Enriquez Jr. and Vic Villordon of Radio DYLA advising them to go off the air as "an assault on the basic Constitutional freedom."

Florido considers the closure order as "subversion of presidential policy, recalling that the President has time and again publicly announced the full guarantees of freedom of speech and the press," as he has time and again encouraged the general public to expose anomalies and irregularities perpetrated by government officials.

The IBP President vehemently denounced Guillem's act saying that the closure order

PRESS CONFERENCE ON HUMAN RIGHTS

Cebu City VISAYAN HERALD in English 15 Apr 82 pp 1, 13

[Text]

"Once again, the onslaught of military atrocities has been launched with wanton ferocity by the abusive militaristic regime," says a spokesman of the Nagkahiusang Katawhan alang sa Tawhanong Katungod (NKTK), an organization in Mahaplag, Leyte for the promotion of people's human dignity and welfare.

As a manifestation of their Christian solidarity to the cause of the poor farmers, the Visayas Ecumenical Movement for Justice and Peace (VEMJP) is holding a Press

Conference on April 16, 9:00 a.m. at Pete's Kitchennette. This came about when the NKTK approached various sectors, of which VEMJP is one, requesting them to support their determined efforts against the recent spate of tortures, illegal arrests and detention and other forms of harrassments being inflicted on the farmers of their area.

VEMJP, a federation comprising various groups, organizations and institutions concerned for

justice and defense of human rights invites all media people and all others interested to attend this conference. This will be an opportune time for all to be adequately informed of the present issue besetting our torment-stricken brothers.

UNEMPLOYMENT, STRIKES A SERIOUS MATTER

Cebu City VISAYAN HERALD in English '6 Apr 82 p 7

[Article in Business & Industry Column by Eddie R. Gandionco, Business Editor-Consultant: "Unemployment and Strikes are Pressing Concern of Gov't"]

[Text] The government, particularly the Ministry of Labor and Employment (MOLE) is focusing its attention to the increase unemployment rate and the increase number of strikes in many commercial and industrial establishments. However, the labor ministry considers more critical the problem of unemployment than the wage levels of workers. It can not be denied that there is a worsening of unemployment today. The worst in our history.

The nationwide unemployment rate more than doubled during the first three months of 1982, and is believed to rise further in the second quarter. According to government statistics, the unemployment rate reached 40 percent in Metro Manila alone while the nationwide unemployment rate went up to 30 percent at the end of 1981.

The ranks of unemployed at the end of 1981 were swollen in March of this year by workers who were laid off or terminated by business and industry because of poor sales and unfavorable economic con-

ditions. In short, everybody went on retrenchment. As of March 15 this year, labor ministry reports pointed to about 100,000 workers who had lost their job for the two-and-a-half months of 1982. The reports of the ministry does not include those who were terminated but not reported. If so, workers laid off could thus be greater than the 100,000 figure.

The already difficult unemployment situation is compounded by the numerous strikes taking place all over the country today. At the end of 1981 there were an estimated 257 strikes, most of them in Metro Manila. It is my thinking that the present labor situation is caused by government's mandated higher pay and more benefits for workers which was decreed for the past three years. Had the government listened to the position of then former NEDA boss Gerardo Sicat and the employers confederation to temporarily freeze on wages and allowances, the increase of the unemployment rate could have been controlled. While wage increase favors the workers,

they reduced the capability of business and industry to create more jobs and thus increase unemployment.

Lately, the labor ministry has change gear. It now favors leaving wage-allowance increases to collective bargaining between labor union and management. If push through, it is better late than never. However, the labor groups do not approve of the idea because they pointed out that current wage and allowances given a worker do not meet the basic needs of the worker and his family.

It is the thinking of the labor ministry that wages be frozen in areas or provinces that are depressed for they cannot look forward to improvements in the standard of living of the people in these places even beyond the year 2000 unless they attract job-creating investments. Getting the basic pay is very good enough in these areas or provinces. The best assurance for an investor is cheap labor, at least during the time when his investment is not paying off.

In answer to the labor ministry's softening stand, the labor sector filed notices of strikes. The number of strikes averaged almost five days a week since the start of 1982. Because of the increased number of strikes and lock-outs, even in vital industries, the government has taken a tougher stand. And strikes has now become another pressing concern of the government aside from the worsening unemployment.

I believe, considering the prevailing economic crisis of business and industry, that labor unions and workers should abandoned their fight for higher pay and more fringe

benefits in order to save their jobs. Additional wages and allowances can wait until better times, or, when business improves. There is a proper time to fight management but certainly not today. However, there are industries which are making more money in spite of inflation such as those engaged in drugs, basic consumers products, insurance, rice and corn mills, chemicals, and drinks. On these industries labor can make their demands or even go on strike. They are making money or profits. How about it TUCP and the other unions? Pity the workers!

CSO: 4220/613

SYRIAN TRAINED TERRORIST HELD

Manila PHILIPPINES DAILY EXPRESS in English 13 Apr 82 pp 1, 6

[Text]

ZAMBOANGA CITY, May 12 — A suspect in the bomb attacks in this city this week was arrested this afternoon by Southcom intelligence operatives in Recodo, a fishing village 15 kilometers away from the downtown area.

The suspect —whose identity was withheld by the military pending the arrest of his companions — was reportedly a Syria-trained member of the Moro National Liberation Front. He was reportedly seen by witnesses dropping one of the plastic bombs Monday in front of the Zamboanga Central School.

Military operatives sent seaborne patrols to a nearby island, where the suspected mastermind of the bombings was hiding.

AS THIS developed, an eight-pound time bomb, which was set to explode at 4 p.m. today, was recovered by members of the Southcom intelligence group and Zamboanga police anti-terrorist task force in one of the rooms of Bel Air motel in this city. The bomb was reportedly brought in by a man, described as "well-dressed and good-looking," at 3:30 p.m.

Maj. Damming Unga Jr., commander of the INP southern sector command, said the bomb had six

pounds of potassium chlorate, an igniting powder. Attached to the bomb were two fragmentation grenades in a plastic box.

Unga said the bomb could blow up a building.

MAJ. GEN. Delfin Castro, Southcom chief, said three MNLF commanders, one of whom has been identified as a native of Zamboanga, were on a sabotage mission in urban centers in Mindanao.

Castro said that four persons were killed and 71 others wounded in Monday's seven bomb explosions in this city.

MNLF, CPP COOPERATE

Manila PHILIPPINES DAILY EXPRESS in English 12 Apr 82 pp 1, 6

[Article by Vic Pena]

[Text]

ZAMBOANGA CITY, May 11 - Military authorities are tracking down a foreign-trained rebel commander and his group in a citywide manhunt launched after the series of bomb explosions in the city's commercial district Monday which killed four persons and injured 71 others.

Subject of the manhunt is a native of Zamboanga and reportedly a member of the abortive June Bride operation which was busted by operatives in Metro Manila under Gen. Fabian C. Ver, AFP chief of staff, last year.

Those killed were Dante Dagonas, 21, of Zamboanga del Sur; Jessie Alomes, 22, of Daet, Sangali, Zamboanga City; Ricardo Alagatmo, 23, and Jessie Flores, 26, military authorities in Zamboanga reported.

MAJ. GEN. Delfin Castro, AFP Southern Command chief, revealed today a tie-up of the Moro National Liberation Front (Misuari faction) and the Partido Democratico Socialista ng Pilipinas, one of the allied organizations of the Communist Party of the Philippines.

Castro said these two groups plotted the six explosions in the downtown section of the city.

Castro said that last December military operatives arrested Manolito Canonigo, PDSP secretary general, and seized from him documents which pointed to the tie-up of these two subversive organizations.

AMONG the documents seized were papers on an MNLF-PDSP plot to conduct urban terrorism in Zamboanga City on May 1 this year. However, the plan did not materialize because of the seizure of huge explosives shipment by military operatives from a commercial vessel coming from Tawi-tawi and a raid at a house in Baliwasan district, which yielded 16,000 blasting caps last March 13.

Other urban centers in Mindanao such as Davao, Cotabato and Iligan cities had experienced similar bombing incidents earlier this year, as part of the MNLF-PDSP plot, the military said.

CSO: 4220/613

SRI LANKA

BRIEFS

SYNDICATED LOAN--Colombo, 13 May (AFP)--Sri Lanka has successfully negotiated a syndicated loan of \$100 million in London, the Finance Ministry announced today. The syndicated credit leaders are Citibank, Lloyds Bank International, Bank of Tokyo, Indosuez Bank and the Long-Term Credit Bank of Japan. The terms obtained are the best-ever by the Sri Lanka Government in the Euro-dollar market, the Finance Ministry said. The credit, which is for an 8-year period, is at half percent over libor for the first 2 years and five-eighths over libor for the next 6 years. For the first time Japanese banks will take a considerable portion of the syndication when it is finalised, the ministry said. [Text] [BK131321 Hong Kong AFP in English 1116 GMT 13 May 82 BK]

CSO: 4220/644

THAILAND

'YOUNG TURK' OFFICER REINSTATED TO FORMER COMMAND

Bangkok MATICHON in Thai 4 May 82 pp 1, 12

[Text] One of the 1 April Young Turks has been reinstated in government service as a Royal Aide-de camp by the order of the king.

News reports from the Army to MATICHON state that at this time the Army has ordered Col Sakan Mitkasem of academy class No 7 and former defendant in the 1 Apr 1981 rebellion returned to service. He has been returned to the position he held before his dismissal that of deputy commander of the Army transportation department. The report also revealed that on 27 April, His Majesty the King appointed Col Sakan as one of 96 Royal Aides-de-camp.

Concerning this matter, Col Sakan told MATICHON that he had been reinstated to his former position in the service approximately 6 months ago, but that none of his fellow officers who had been dismissed have as yet been reinstated.

Col Sakan Mitkasem had been dismissed from government service by order No. 10001/1981 of the Ministry of Defense dated 1 Apr 1981 along with Col Manoon Rupkhachon, Col Prachak Sawangchit, Col Pridi Ramasut, Col Panlop Pinmani, Col Sakhon Kitwiriya, Col Prap Chotsathien, Col Chanboon Phentrakun, Col Boonsak Phochareon, Lt Col Boonyang Bucha, and Major Surit Chanthrathip on the grounds that they were threats to the peace and order of the nation and the throne. The dismissal order was signed by Gen Prem Tinsulanon in his capacity as Minister of Defense.

Also, when the events of 1 April took place, Col Sakan was appointed a member of the Revolutionary Council by Gen San Chitpatima, the leader of the coup.

CSO: 4207/98

END